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LEGISLATIVE HISTORY

PUBLIC LAW 911--81st Congress

CHAPTER 1213--2d Session

H. R. 9920

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SECOND SUPPLEMENTAL APPROPRIATION ACT, 1951. Contains defense appropriations; funds for export controls, Commerce Department; $4,000,000 for Inter-American Highway; $2,300,000 for transmission lines, Interior; $1,834,911,000 for stockpiling strategic materials, GSA; $66,500,000 for TVA; and makes appropriations for salaries and wages available for social-security taxes for Government agencies.

INDEX AND SUMMARY OF HISTORY ON H. R. 9920

November 30, 1950	Documents: The estimates upon which the bill is based are contained in House Document Nos. 724, 726, 727, 729, 730, 731, 732, 733, and 735.
December 1, 1950	Hearings: House, H. R. 9920. Dept. of Defense, Pt. 1.
December 5, 1950	Hearings: House, H. R. 9920. Other Depts.
December 7, 1950	Hearings: House, H. R. 9920. Dept. of Defense, Pt. 2.
December 9, 1950	Hearings: House, H. R. 9920. Dept. of Defense, Pt. 3.
	Hearings: Senate, H. R. 9920.
December 14, 1950	Hearings: House, H. R. 9920. Atomic Energy and TVA.
December 15, 1950	House Committee on Appropriations reported H. R. 9920. House Report 3193. Print of the bill as reported.
December 18, 1950	House debated and passed H. R. 9920 as reported. Documents: Senate Document Nos. 242, 244 and 245. Print of the bill as referred to the Senate Committee on Appropriations.
December 20, 1950	Senate Committee reported H. R. 9920 with amendments. Senate Report 2684. Print of the bill as reported.
December 21, 1950	Senate debated and passed H. R. 9920 with amendments.
	Senate conferees appointed.
	Print of H. R. 9920 with the amendments of the Senate numbered.
January 1, 1951	House conferees appointed.
	House received and agreed to the conference report. House Report 3240.
January 2, 1951	Senate agreed to the conference report.
January 6, 1951	Approved. Public Law 911.

81st Congress } HOUSE OF REPRESENTATIVES { Document
2d Session } { No. 724

Please return to
Division of Legislative Reports,
Office of Budget and Finance

PROPOSED SUPPLEMENTAL APPROPRIATIONS TOGETHER WITH CERTAIN PROPOSED PROVISIONS AND INCREASES IN LIMITATIONS PERTAINING TO EXISTING APPROPRIATIONS

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

PROPOSED SUPPLEMENTAL APPROPRIATIONS FOR THE FISCAL YEAR 1951 IN THE AMOUNT OF $80,525,000, TOGETHER WITH CERTAIN PROPOSED PROVISIONS AND INCREASES IN LIMITATIONS PERTAINING TO EXISTING APPROPRIATIONS

NOVEMBER 30, 1950.—Referred to the Committee on Appropriations and ordered to be printed

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THE WHITE HOUSE,
Washington, November 29, 1950.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of the Congress proposed supplemental appropriations for the fiscal year 1951 in the amount of $80,525,000, together with certain proposed provisions and increases in limitations pertaining to existing appropriations.

The details of these proposed appropriations, the necessity therefor, and the reasons for their submission at this time are set forth in the letter of the Director of the Bureau of the Budget and the attachment thereto, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., November 27, 1950.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration proposed supplemental appropriations for the fiscal year 1951 in the amount of $80,525,000 for various agencies in the executive branch.

In addition, there are submitted certain proposed provisions and increases in limitations pertaining to existing appropriations.

Drafts of proposed appropriation language and the details of the various proposals, together with the reasons for their submission at this time, are set forth in the attachment to this letter.

These proposed supplemental appropriations have been carefully reviewed, and I recommend the transmission thereof to the Congress in the amounts specified.

Respectfully yours,

F. J. LAWTON,
Director of the Bureau of the Budget.

ITEMS INCLUDED IN THE CONSOLIDATED SUBMISSION OF PROPOSED SUPPLEMENTAL APPROPRIATIONS

FUNDS APPROPRIATED TO THE PRESIDENT	
Emergency aid to Yugoslavia	$38, 000, 000
INDEPENDENT OFFICES	
National Mediation Board: Arbitration and emergency boards	175, 000
Office of the Housing Expediter: Salaries and expenses	1, 200, 000
Subversive Activities Control Board: Salaries and expenses	250, 000
FEDERAL SECURITY AGENCY	
Office of Education:	
Promotion and further development of vocational education	Language
Salaries and expenses	375, 000
Social Security Administration: Salaries and expenses, Bureau of Old-Age and Survivors Insurance (administrative expense limitation)	(3, 300, 000)
DEPARTMENT OF AGRICULTURE	
Commodity Credit Corporation (administrative expense limitation)	(3, 850, 000)
DEPARTMENT OF COMMERCE	
Bureau of Foreign and Domestic Commerce: Export control	925, 000
Maritime activities:	
Salaries and expenses	Language
Ship construction	Language
Bureau of Public Roads: Inter-American Highway	4, 000, 000
National Bureau of Standards: Construction of laboratories	1, 632, 000
DEPARTMENT OF THE INTERIOR	
Southeastern Power Administration: Construction	1, 850, 000
Bonneville Power Administration: Construction	1, 450, 000
DEPARTMENT OF JUSTICE	
Legal activities and general administration:	
Salaries and expenses, general legal activities	430, 000
Fees and expenses of witnesses	200, 000
Immigration and Naturalization Service: Salaries and expenses	3, 250, 000
Federal Prison System:	
Salaries and expenses, Bureau of Prisons	149, 000
Support of United States prisoners	139, 000
DEPARTMENT OF LABOR	
Bureau of Employment Security: Grants to States for unemployment compensation	Language
TREASURY DEPARTMENT	
Coast Guard:	
Operating expenses	18, 600, 000
Acquisition, construction, and improvements	7, 900, 000
Retired pay	Language
Total proposed supplemental appropriations	80, 525, 000

DETAIL OF PROPOSED SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 1951

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, namely:

FUNDS APPROPRIATED TO THE PRESIDENT

EMERGENCY AID TO YUGOSLAVIA

For expenses necessary to enable the President to provide aid to Yugoslavia, $38,000,000: Provided, That this amount shall be available only if, and to the extent, such aid is authorized by law, but shall not be available for administrative expenses.

There is being submitted to the Congress legislation to authorize for the remainder of fiscal year 1951 an emergency program of aid to Yugoslavia. This country has suffered one of the worst droughts in its recorded history, a situation so serious as to threaten starvation for its people and to endanger its political independence. The funds herein requested will be used solely for the provision of foodstuffs to meet this emergency situation.

INDEPENDENT OFFICES

National Mediation Board

ARBITRATION AND EMERGENCY BOARDS

For an additional amount for "Arbitration and emergency boards", $175,000.

Because labor-management disputes affecting rail and air transportation have required the creation of a greater number of arbitration and emergency boards than had been anticipated under the estimates previously submitted for the fiscal year 1951, these additional funds are required to enable the National Mediation Board to discharge its responsibilities under the Railway Labor Act.

Office of the Housing Expediter

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", Office of the Housing Expediter, $1,200,000; *and the limitation under this head in the Supplemental Appropriation Act, 1951, on the amount available for the purchase of newspapers, is increased from "$250" to "$500".*

The Housing and Rent Act of June 23, 1950, extended rent control to December 31, 1950, and until June 30, 1951, if local communities take affirmative action indicating a desire for extension to the latter date. The appropriation of $12,215,500 provided for full administration of the act until December 31, 1950, and until June 30, 1951, in local com unities which take such affirmative action.

In view of the present international situation the President has requested that the date by which such actions must be taken be extended to March 31, 1951, to permit continuity of administration until the Congress has had an opportunity to give further consideration to rent control legislation.

The foregoing estimate will permit operations through March 31, 1951, with liquidation to follow unless further extension is found necessary because of the existing international situation.

Subversive Activities Control Board

SALARIES AND EXPENSES

For necessary expenses of the Subversive Activities Control Board, including services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not in excess of $50 per diem for individuals, and purchase (not to exceed one) and hire of passenger motor vehicles; $250,000.

The above proposed supplemental appropriation is required by the Board to carry out its responsibilities under the provision of title I of the Internal Security Act of 1950, which law was not enacted until September 23, 1950. Because of the urgency of the situation, an allocation of $60,000 was made from funds appropriated to the President (Emergencies (national defense)) to finance operations until December 31, 1950.

FEDERAL SECURITY AGENCY

Office of Education

PROMOTION AND FURTHER DEVELOPMENT OF VOCATIONAL EDUCATION

Appropriations made under this head for the fiscal year 1951 shall be available for carrying out the provisions of the Act of March 18, 1950 (Public Law 462).

The purpose of this proposed provision is to enable the Office of Education to carry out the extension of the vocational education program to the Virgin Islands without an additional appropriation.

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses, Office of Education," $375,000.

This proposed supplemental estimate of appropriation is for the purpose of paying additional administrative costs of two new programs authorized at the last session of the Congress providing grants for school construction and for school maintenance and operation in areas overburdened by Federal activities.

Social Security Administration

SALARIES AND EXPENSES, BUREAU OF OLD-AGE AND SURVIVORS INSURANCE

The amount authorized to be expended from the Federal old-age and survivors insurance trust fund for "Salaries and expenses, Bureau of Old-Age and Survivors Insurance", by the Federal Security Agency Appropriation Act, 1951, as amended by the Supplemental Appropriation Act, 1951, is increased from "$53,988,000" to "$57,288,000".

The foregoing proposed increase of $3,300,000 in the amount authorized to be expended from the Federal old-age and survivors insurance trust fund is necessary to carry out the provisions of the Social Security Act Amendments of 1950 (Public Law 734), recently enacted by the Congress.

DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

The limitation under this head in the Department of Agriculture Appropriation Act, 1951, on the amount available for administrative expenses of the Corporation, is increased from "$16,350,000" to "$20,200,000".

An increase of $3,850,000 will be required in the administrative expense limitation of the Commodity Credit Corporation to provide for increased administrative costs to perform storage, inspection, maintenance, accounting, and other work in connection with the management of inventories acquired by the Corporation under the price-support program.

The fiscal year 1951 is the first in recent years in which the Commodity Credit Corporation is confronted with the task of managing a large inventory of agricultural commodities and at the same time making settlements with thousands of producers, elevators, warehousemen, and others incident to the acquisition of additional inventories from past-year crop operations and, in addition, providing price support on current-year crops. The need for this increase arises principally out of an underestimation of the complexity and amount of work involved in managing the huge inventories of agricultural commodities acquired under the price-support program. In addition, the storage-facilities program is substantially larger than was anticipated when the 1951 budget was prepared.

On October 23, 1950, the Director of the Bureau of the Budget reapportioned the amounts available to the Commodity Credit Corporation for administrative expenses in the fiscal year 1951 on a basis which would indicate a necessity for a supplemental estimate. This action was reported to the President of the Senate and the Speaker of the House of Representatives, in accordance with provisions of paragraph 2 of subsection (3) of section 3679 of the Revised Statutes, as amended, by letters of November 22, 1950, from the Director of the Bureau of the Budget.

DEPARTMENT OF COMMERCE

Bureau of Foreign and Domestic Commerce

EXPORT CONTROL

For an additional amount for "Export control", $925,000; *and the limitation under this head in the Department of Commerce Appropriation Act, 1951, on the amount available for transfer to the appropriation, "Salaries and expenses", Office of the Secretary, is increased from "$40,000" to "$55,000".*

Recent international developments have resulted in the extension of export controls to additional commodities from both the standpoint of the national security and the protection of the domestic economy. This action has resulted in an accelerating license application intake and also in the need for the strengthening of enforcement procedures. Because of the urgency of the situation, an allocation of $100,000 was made from funds appropriated to the President (Emergencies (national defense)). This estimate is to provide the additional funds necessary to permit the Department of Commerce to meet the increasing license workload and related enforcement measures resulting through national defense requirements.

Maritime Activities

SHIP CONSTRUCTION

The first proviso in the paragraph under the head "United States Maritime Commission, ship construction" in the Independent Offices Appropriation Act, 1951, is hereby amended by striking out "December 31, 1950" and inserting in lieu thereof "June 30, 1951".

Appropriations and contract authority made available to the United States Maritime Commission for ship construction in the fiscal years 1950 and 1951 shall also be available, without regard to the provisions of the Merchant Marine Act of 1936 with respect to essential trade routes, for construction of such additional dry-cargo vessels as the Secretary of Commerce, with the approval of the President, shall find necessary for national security: Provided, That such additional vessels shall not be subject to the first proviso under the head "New ship construction" in the Independent Offices Appropriation Act, 1950, or the last proviso under the head "Ship construction" in the Independent Offices Appropriation Act, 1951.

Recent studies of national-defense aspects of sea transport have demonstrated a need for the construction of additional dry-cargo vessels of a faster speed and more modern design than those now generally available in the Maritime Administration reserve fleet. It is proposed to initiate such a construction program in the current fiscal year. This program is of high priority and will complement shipping capacity already available, including that which may be obtained from friendly countries in an emergency.

The Independent Offices Appropriation Act, 1951, provided a total of $68,000,000 in appropriation and contract authority for ship construction, and in addition extended to December 31, 1950, the unobligated balance of the 1950 appropriation of $64,875,000 in appropriation and contract authority. The language here proposed would make available for construction of fast, dry-cargo ships approximately $126,000,000 of the foregoing amounts not yet finally allocated for other ships. The final number and types of ships to be built within this amount would depend upon a later determination of the Secretary of Commerce, as approved by the President.

SALARIES AND EXPENSES

Limitations under the head "Salaries and expenses", United States Maritime Commission, in the Independent Offices Appropriation Act, 1951, are amended as follows: "Maintenance of shipyard facilities" is increased from "$452,000" to "$483,000", and "Maintenance and operation of terminals" is decreased from "$765,000" to "$734,000".

Subsequent to the outbreak of hostilities in Korea, the Maritime Administration adjusted its programs under the appropriation "Salaries and expenses" to provide for increased security coverage for the various facilities which it maintains and operates. By deferring a construction project previously authorized under the limitation "Maintenance and operation of terminals," it was possible to provide for increased security requirements for terminal facilitics and still leave a small surplus of $31,000. It is proposed to transfer this amount to the limitation "Maintenance of shipyard facilities" for increased security needs which have arisen in connection with the reserve shipyards maintained by the Maritime Administration.

BUREAU OF PUBLIC ROADS

INTER-AMERICAN HIGHWAY

For necessary expenses of continuing the survey and construction of the Inter-American Highway, in accordance with the provisions of the Act of December 26, 1941 (55 Stat. 860), as amended by section 11 of the Federal-Aid Highway Act of 1950, including the purchase of five passenger motor vehicles, $4,000,000, to remain available until expended.

Section 11 of the Federal-Aid Highway Act of 1950 authorizes $4,000,000 to be appropriated in fiscal year 1951 for continuing the survey and construction of the Inter-American Highway in cooperation with the Republics of Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama. Previous appropriations of $32,000,000 for this project are now exhausted except for comparatively small unexpended balances.

The continued development of the Inter-American Highway will provide important benefits to the United States in its relations with Central American countries, and will contribute to the economic growth of those countries. The estimate of $4,000,000 will provide for a limited construction program in each country, with special emphasis upon the elimination of impassable gaps. The estimate is submitted at this time in order to make funds available during the dry season, which ends in May.

NATIONAL BUREAU OF STANDARDS

CONSTRUCTION OF LABORATORIES

For an additional amount for "Construction of laboratories", $1,632,000, to remain available until expended; *and the amount of the contract authorization granted under this head in the Department of Commerce Appropriation Act, 1951, is reduced from "$5,675,000" to "$3,915,000": Provided, That the General Services Administrator is authorized to provide for the transfer from the Department of the Navy to the Department of Commerce, without reimbursement, so much of the land, and such buildings and facilities, of the former U. S. Naval Hospital, Corona, California, as he may determine to be suitable for use as a guided-missiles laboratory and for other activities of the National Bureau of Standards, and thereafter $1,772,000 of the amounts appropriated under this head shall be available for (1) such modifications, improvements, and equipment of existing buildings and facilities at said location, as are necessary to permit their use for a guided-missiles laboratory (which shall be in lieu of the new construction authorized for such purpose by Public Law 386, approved October 25, 1949), and (2) other administrative expenses necessary for the establishment of said laboratory, including moving expenses, travel, and transportation of dependents and household effects: Provided further, That with the exception of the establishment and operation of a cafeteria, no community or recreational facilities shall be established or operated by the Department of Commerce in connection with said activities except as may be specifically authorized by law.*

This estimate is submitted for the purpose of making available to the Department of Commerce, without reimbursement, portions of a former United States naval hospital installation, in lieu of construction of the guided-missiles building authorized by Public Law 386, approved October 25, 1949, for which appropriations were granted in the Department of Commerce Appropriation Act, 1951.

Subsequent to the submission of the original estimate for "Construction of laboratories," the Department of Commerce determined that a hospital installation at Corona, Calif., excess to the needs of

the Department of the Navy, would not only be adaptable to guided-missiles research but also have further advantages from the standpoint of immediate availability and future expansibility. Owing to the increased emphasis being given scientific research in connection with the defense effort, the Bureau of Standards finds that its facilities are inadequate to meet requests anticipated from the Department of Defense. Portions of the Corona installation not required for guided-missiles work can be readily converted to use for such additional research projects as may develop. Accordingly, it is proposed to transfer to the Department of Commerce those portions of the installation determined suitable for such use.

This estimate proposes the appropriation of funds in lieu of the contract authorization previously granted for the construction of a guided-missiles laboratory. Funds so appropriated would be used for modifying and equipping that portion of the Corona installation required for guided-missiles work.

DEPARTMENT OF THE INTERIOR

Southeastern Power Administration

CONSTRUCTION

For construction and acquisition of transmission lines, substations, and appurtenant facilities, and for administrative expenses connected therewith, in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U. S. C. 825s), as applied to the southeastern power area, including purchase (not to exceed five) and hire of passenger motor vehicles, $1,850,000, to remain available until expended.

The proposed supplemental appropriation is necessary to initiate construction of two circuits and terminal facilities to provide for transmission of electric power and energy from the Buggs Island, Va., project of the Corps of Engineers to the National Advisory Committee for Aeronautics testing facilities at Langley Field, Va.

Bonneville Power Administration

CONSTRUCTION

For an additional amount for "Construction", $1,450,000, to remain available until expended.

The proposed supplemental appropriation is necessary to accelerate construction of the Grand Coulee-Spokane transmission line No. 5, $1,070,000 and the Spokane substation additions, $380,000.

Expansion of industrial plants in the Spokane area and in Montana will result in increased electric power demands making it necessary to advance energization of the Grand Coulee-Spokane No. 5 line to July 1952 and the additional transformation facilities at the Spokane substation to July 1951.

DEPARTMENT OF JUSTICE

Legal Activities and General Administration

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For an additional amount for "Salaries and expenses, general legal activities", $430,000.

FEES AND EXPENSES OF WITNESSES

For an additional amount for "Fees and expenses of witnesses", $200,000.

IMMIGRATION AND NATURALIZATION SERVICE

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $3,250,000; *and appropriations made under this head for the fiscal year 1951 shall be available for the purchase of sixty-five additional passenger motor vehicles.*

The Internal Security Act of 1950 became law on September 23, 1950. The amount requested for general legal activities, the Immigration and Naturalization Service, and a portion of the amount requested for "Fees and expenses of witnesses" is necessary for the administration and enforcement of this act. No experience is available upon which these estimates could be based, but it is believed that they constitute the minimum requirements to initiate the program. In the light of actual experience additional amounts may be required later in the year. Because of the urgency of the situation, allocations were made to start these programs from funds appropriated to the President (Emergencies (national defense)).

The amount recommended for "Salaries and expenses, general legal activities," is principally for the registration of subversive organizations.

Based upon experience and available statistics, it is estimated that an additional $150,000 will be needed to meet the ordinary requirements for "Fees and expenses of witnesses" during the fiscal year 1951. The remainder of the amount recommended under this appropriation, $50,000, will be required for fees and expenses of witnesses testifying in trials of subversive organizations under the Internal Security Act of 1950.

The amount recommended for the Immigration and Naturalization Service would provide for a balanced program for accelerating the apprehension, detention, and deportation of aliens as defined by the Internal Security Act and includes the expenses of registration of an estimated 4,000,000 resident aliens. Additional passenger motor vehicles are necessary to provide transportation of enforcement officers in the apprehension of aliens.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES, BUREAU OF PRISONS

For an additional amount for "Salaries and expenses, Bureau of Prisons", $149,000.

This estimate is necessary because current experience indicates that the average inmate population in Federal prisons will be about 700 greater than the 17,000 contemplated by the 1951 appropriation.

SUPPORT OF UNITED STATES PRISONERS

For an additional amount for "Support of United States prisoners", $139,000.

Based on latest experience with the number of prisoners boarded in contract jails, the current appropriation will be inadequate. With the additional amount recommended, the number that can be supported will be slightly less than the actual requirements were for fiscal year 1950.

DEPARTMENT OF LABOR

Bureau of Employment Security

GRANTS TO STATES FOR UNEMPLOYMENT COMPENSATION AND EMPLOYMENT SERVICE ADMINISTRATION

Appropriations made under this head for the fiscal year 1951 shall be available for grants to Puerto Rico and the Virgin Islands in accordance with the Act of June 6, 1933, as amended by the Act of September 8, 1950 (Public Law 775): Provided, That in lieu of grants for the purpose of securing office facilities and equipment, the Secretary of Labor may transfer to the Puerto Rico Employment Service any Veterans Employment Service office facilities and properties within Puerto Rico, including records, files, and office equipment.

Public Law 775, approved September 8, 1950, changes the definition of "State" or "States" as used in the Wagner-Peyser Act (48 Stat. 113) to include Puerto Rico and the Virgin Islands and provides for grants of such amounts as the Secretary of Labor determines to be necessary for the proper and efficient administration of public employment offices in these "States."

Inasmuch as the legislature of Puerto Rico is being called into session to establish a public employment service, it is desirable that the Federal Government be authorized, as soon as possible, to play its part. Revision in the appropriation language is therefore required to make funds appropriated in the Department of Labor Appropriation Act, 1951, available for grants to Puerto Rico and the Virgin Islands and to provide for the transfer of office facilities and properties from the Veterans Employment Service in Puerto Rico to the Puerto Rico Employment Service. No additional funds for these purposes are required.

TREASURY DEPARTMENT

Coast Guard

OPERATING EXPENSES

For an additional amount for "Operating expenses", $18,600,000; *and appropriations made under this head for the fiscal year 1951 shall be available for the purchase of seventy-four additional passenger motor vehicles: Provided, That limitations under this head in the Treasury Department Appropriation Act, 1951, are increased as follows: Number of aircraft on hand, from "one hundred and ten" to "one hundred and thirteen"; number of enlisted men detailed for duty at Coast Guard Headquarters, from "thirty" to "fifty-five"; and the amount that may be expended for recreation, amusement, comfort, and contentment of enlisted personnel of the Coast Guard, from "$190,000" to "$250,000".*

The foregoing proposed supplemental appropriation is necessary to provide $3,900,000 to cover the increased cost of dependency benefit payments under the Dependents Assistance Act approved September 8, 1950 (Public Law 771), and $14,700,000 to cover the cost of increased activities assigned to the Coast Guard to implement the act of August 9, 1950 (Public Law 679).

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

For an additional amount for "Acquisition, construction, and improvements", $7,900,000, to remain available until expended.

The foregoing amount is necessary to purchase equipment incident to the cost of increased activities assigned to the Coast Guard to implement the act of August 9, 1950 (Public Law 679).

RETIRED PAY

Appropriations made under this head for the fiscal year 1951 shall be available for the payment of obligations incurred during prior fiscal years for retired pay.

This proposed provision will enable the Coast Guard to pay prior year claims resulting from recomputation of retired pay of military personnel under the terms of the Career Compensation Act, 1949. The recomputation of the retired pay of certain enlisted men also is necessary as a result of the act of August 4, 1949 (Public Law 207), involving a 10 percent increase in retirement pay of men cited for extraordinary heroism in line of duty or who have attained certain good conduct marks while on active duty.

GENERAL PROVISIONS

SEC. —. Appropriations and funds made available by this or any other Act for salaries, wages, or compensation, for the fiscal year 1951, shall also be available for payment of any tax with respect thereto which is imposed on any department, agency, corporation, or other instrumentality of the United States, as an employer, by the provisions of the Social Security Act Amendments of 1950.

The general provision proposed above will make all appropriations, or funds, which are available for salaries, wages, or compensation, also available for the payment of any tax with respect thereto, which is imposed on any department, agency, corporation, or other instrumentality of the United States, as an employer, by the provisions of the Social Security Act Amendments of 1950. The provision applies only to appropriations or funds available for salaries, wages, or compensation for the current fiscal year. It will permit the use of existing appropriations or funds for the payment of this tax without the necessity of supplemental language provisions for numerous individual appropriations.

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81ST CONGRESS } HOUSE OF REPRESENTATIVES { DOCUMENT
2d Session } { No. 726

RECOMMENDATIONS FOR ADDITIONAL APPROPRIATIONS FOR THE DEPARTMENT OF DEFENSE

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

RECOMMENDATIONS FOR ADDITIONAL APPROPRIATIONS FOR THE DEPARTMENT OF DEFENSE FOR THE FISCAL YEAR 1951 IN THE AMOUNT OF 16.8 BILLION DOLLARS

DECEMBER 1, 1950.—Referred to the Committee on Appropriations and ordered to be printed

To the Congress of the United States:

I am today transmitting to the Congress a request for additional funds to strengthen our defenses. The gravity of the world situation requires that these funds be made available with the utmost speed.

I am recommending additional appropriations for the Department of Defense for the fiscal year 1951 in the amount of 16.8 billion dollars. These funds are needed to support our part in the United Nations military action in Korea, and to increase the size and readiness of our Armed Forces should action become necessary in other parts of the world.

Together with the funds appropriated in the General Appropriation Act for fiscal year 1951, and those appropriated in the Supplemental Appropriation Act for fiscal 1951, this will make a total of 41.8 billion dollars for the United States military forces for the current fiscal year.

I am also recommending a supplemental appropriation for the Atomic Energy Commission in the amount of $1,050,000,000. These funds will enable the Commission to enlarge its production capacity substantially. The new facilities will provide larger capacity for the production of fissionable materials, and for the fabrication of such materials into atomic weapons. The fissionable materials thus produced can be utilized either in weapons or as fuels for power-

producing atomic reactors. The program for building these additional facilities has been developed after thorough study over the last few months.

The further expansion of our military forces and of our atomic energy enterprise are directed toward strengthening the defenses of the United States and of the entire free world. This expansion is a matter of great urgency, which can be understood and evaluated only against the background of present critical world conditions.

United States troops are now fighting as part of the United Nations command in Korea. They are fighting for freedom and against tyranny—for law and order and against brutal aggression. The attack of the North Korean Communists on their peaceful fellow-countrymen in June was in defiance of the United Nations and was an attack upon the security of peaceful nations everywhere. Their action, if unchecked, would have blasted all hope of a just and lasting peace—for if open aggression had been unopposed in Korea, it would have been an invitation to aggression elsewhere.

In that crisis, the United Nations acted, and the United States strongly supported that action—for the people of this country knew that our own freedom was as much at stake as the freedom of the Korean people. We knew that the issue was nothing less than the survival of freedom everywhere. If freemen did not stand together against aggression, there could be no hope for peace. This was essentially a moral decision. We did not hesitate, even though we knew we would have to operate at the end of lengthy supply lines, and would initially be faced with overwhelming odds.

There were serious reverses at first, but the courage and skill of our men, and those of other free nations, working together under brilliant leadership, drove the aggressors back.

It soon became evident that North Koreans alone could not have prepared the kind of well-organized, well-armed attack which was launched against the Republic of Korea. As Ambassador Austin proved in the Security Council of the United Nations, the aggressors were armed with Soviet Russian weapons. From the early days of the attack, it became clear that the North Korean forces were being supplemented and armed from across the frontier. Men and equipment were coming out of those dark places which lie behind the iron curtain.

As the United Nations forces continued to defeat the aggressors and continued to advance in their mission of liberation, Chinese Communist participation in the aggression became more blatant. General MacArthur, as Commander of the United Nations forces, reported to the United Nations Security Council on November 5 the proof of this participation.

Despite this outside Communist aid, United Nations troops were well on the way to success in their mission of restoring peace and independence in Korea when the Chinese Communists a few days ago sent their troops into action on a large scale on the side of the aggressor.

The present aggression is thus revealed as a long-calculated move to defy the United Nations and to destroy the Republic of Korea which was giving a demonstration to the peoples of Asia of the advantages of life in an independent, national, non-Communist state.

The present attack on the United Nations forces by the Chinese Communists is a new aet of aggression—equally as naked, deliberate, and unprovoked as the earlier aggression of the North Korean Communists. Cutting through the fog of Communist propaganda, this fact stands unmistakably clear: the Chinese Communists, without a shadow of justification, crossed the border of a neighboring country and attacked United Nations troops who were on a mission to restore peaee under the direetion of the organization representing mankind's best hope for freedom and justice.

The Chinese Communists have aeted presumably with full knowledge of the dreadful consequences their aetion may bring on them. The Chinese people havc been engaged in fighting within their own country for years, and in the process their lands and factories have been laid waste and their young men killed. Nothing but further misery can eome to the Chinese people from the reckless course of aggression into which they have been led by the Communists.

The United Nations resolutions, the statements of responsible officials in every free country, the actions of the United Nations command in Korea, all havc proved beyond any possible misunderstanding that the United Nations aetion in Korea presented no threat to legitimate Chinese interests. The United Statcs especially has a long history of friendship for the Chinese people and support for Chinese independence. There is no conceivable justification for the attack of the Chinese Communists upon the United Nations forces.

The only explanation is that these Chinese have been misled or forced into their reckless attack—an act which can only bring tragedy to themselves—to further the imperialist designs of the Soviet Union.

Nevertheless, the Chinese Communists have acted, and they must bear the responsibility for those acts. They have attacked a United Nations force composed of men from Australia, Canada, France, Korea, the Netherlands, New Zealand, the Philippines, South Africa, Thailand, Turkey, the United Kingdom, and the United States. The United Nations foree they have attacked includes also Indian and Swedish hospital units. It is a force now being supplemented by troops from Belgium, Colombia, Greeee, and Luxemburg. Fifty-three members of the United Nations arc supporting this common effort to stop aggression. The Chinese Communists struck at all of these countries when they started to make war against the United Nations.

The United Nations troops are defending themselves vigorously, and will do so with increasing effectiveness as their forces regroup. At Lake Suecess, the United Nations is now considering how best to halt this new aggression and bring to an end the fighting in Korea.

Meanwhile, two facts are clear:

First, the moral issue now is the same as it was in June. The aggression of the Chinese Communists is a direct assault upon the United Nations, and upon the prineiples of international law and order which are its foundation. By their aetion, the Chinese Communist leaders have proved themselves lawbreakers in the community of nations. If there is to be any hope for world peace, the nations which truly want peace must stand together in opposing this new aggression, just as they did in opposing the original attack from North Korea.

Second, this aggression casts a more ominous shadow over the prospects for world peace. We see no issue between the Chinese Communists and the free nations, or between the Soviet Union and the free nations, which could not be honorably solved by peaceful means. We continue to stand ready in good faith to seek solutions in that way. But the Chinese Communist leaders, who are known to be in close relations with the Kremlin, have not hesitated to make a large-scale assault upon United Nations troops. The leaders of Communist imperialism could not help but know that this action involved grave risk of world war. Their present aggressive actions seem utterly inconsistent with any peaceful intention.

In the face of this situation, the United States and the other free nations have no choice but to increase their military strength very rapidly. As freemen, dedicated to the peaceful advancement of human well-being, we have not made this choice gladly. But we have made it firmly and definitely, and we will not falter or turn back.

Prior to this new act of aggression by the Chinese Communists, a supplemental estimate of appropriations for our Armed Forces was being prepared. This supplemental estimate, which I am transmitting to the Congress today, provides for large additional appropriations for the current fiscal year.

When the Communists of North Korea brutally assaulted the Republic of Korea last June, the strength of our Armed Forces stood at approximately 1½ million men and women; today, 5 months later, the manpower strength of our Armed Forces has been increased by more than 50 percent, to more than 2¼ million men and women; and our goal, until this most recent act of aggression, has been a strength of 2,800,000 by the end of the current fiscal year. Now, we face the necessity of having to raise our sights, both in terms of manpower and in terms of production.

This prospect makes it essential that the funds I am now requesting be made available speedily in order to build up our military strength as rapidly as possible. About $9,000,000,000 of these new funds will be used for major military procurement, and to expand facilities for military production.

The appropriation request I am transmitting today is not a war budget. That would obviously require far more money.

However, the immediate appropriation of these funds will permit us to make the fastest possible progress in increasing our strength. This action will permit us to go ahead at once to step up rapidly the size of the Armed Forces and the rate of military training. It will permit us to go ahead at once to increase rapidly the rate of production of planes, tanks, and other military equipment. At the same time, we can be going ahead with plans for such further expansion as may be necessary, and any additional funds required for that purpose can be requested when and as such plans are worked out.

These measures will put us in a position to move speedily into an increased state of mobilization if the situation grows worse. If the situation improves, we can level off the size of forces and the rate of production of military goods as may be appropriate. In any case, we must be prepared to endure a long period of tension.

I wish to emphasize again, as I have before, that the situation we are in requires from every one of us the utmost devotion and willing-

ness to do his full part. In this critical time, the national interest is paramount, and all partisan or selfish considerations must be subordinated.

The United States is today strong and free. Whatever may come, I know the people of this country will do everything in their power to increase that strength and protect our precious freedom.

HARRY S. TRUMAN.

THE WHITE HOUSE, *December 1, 1950.*

81st Congress, 2d Session } HOUSE OF REPRESENTATIVES { Document No. 727

PROPOSED SUPPLEMENTAL APPROPRIATIONS FOR THE ATOMIC ENERGY COMMISSION, TENNESSEE VALLEY AUTHORITY, AND DEPARTMENT OF DEFENSE, TOGETHER WITH CERTAIN PROPOSED PROVISIONS AND INCREASES IN LIMITATIONS PERTAINING TO EXISTING APPROPRIATIONS

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

PROPOSED SUPPLEMENTAL APPROPRIATIONS FOR THE FISCAL YEAR 1951 IN THE AMOUNT OF $17,978,247,000 FOR THE ATOMIC ENERGY COMMISSION, TENNESSEE VALLEY AUTHORITY, AND DEPARTMENT OF DEFENSE, TOGETHER WITH CERTAIN PROPOSED PROVISIONS AND INCREASES IN LIMITATIONS PERTAINING TO EXISTING APPROPRIATIONS

DECEMBER 1, 1950.—Referred to the Committee on Appropriations and ordered to be printed

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THE WHITE HOUSE,
Washington, December 1, 1950.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of the Congress proposed supplemental appropriations for the fiscal year 1951 in the amount of $17,978,247,000 for the Atomic Energy Commission, Tennessee Valley Authority, and Department of Defense, together with certain proposed provisions and increases in limitations pertaining to existing appropriations.

The details of these proposed appropriations, the necessity therefor, and the reasons for their submission at this time are set forth in the letter of the Director of the Bureau of the Budget and the attachment thereto, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., December 1, 1950.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration proposed supplemental appropriations for the fiscal year 1951 in the amount of $17,978,247,000 for the Atomic Energy Commission, Tennessee Valley Authority, and Department of Defense.

In addition, there are submitted certain proposed provisions and increases in limitations pertaining to existing appropriations.

Drafts of proposed appropriation language and the details of the various proposals, together with the reasons for their submission at this time, are set forth in the attachment to this letter.

These proposed supplemental appropriations have been carefully reviewed, and I recommend the transmission thereof to the Congress in the amounts specified.

Respectfully yours,

F. J. LAWTON,
Director of the Bureau of the Budget.

ITEMS INCLUDED IN THE CONSOLIDATED SUBMISSION OF PROPOSED SUPPLEMENTAL APPROPRIATIONS

Independent Offices

Atomic Energy Commission	$1, 050, 000, 000
Tennessee Valley Authority	84, 000, 000
Total, independent offices	1, 134, 000, 000

Department of Defense

Office of the Secretary of Defense

Salaries and expenses	$1, 000, 000
Emergency fund	50, 000, 000
Total, Office of the Secretary of Defense	51, 000, 000

Department of the Army

Office of the Secretary of the Army: Contingencies of the Army	19, 100, 000
Finance Department: Finance Service, Army:	
Pay of the Army	695, 200, 000
Travel of the Army	17, 700, 000
Finance Service	4, 000, 000
Quartermaster Corps: Quartermaster Service, Army:	
Welfare of enlisted men	7, 500, 000
Subsistence of the Army	343, 800, 000
Regular supplies of the Army	275, 300, 000
Clothing and equipage	892, 100, 000
Incidental expenses of the Army	34, 900, 000
Transportation Corps: Transportation Service, Army	422, 400, 000
Signal Corps: Signal Service of the Army	665, 100, 000
Medical Department: Medical and Hospital Department	71, 000, 000
Corps of Engineers:	
Engineer Service, Army	656, 600, 000
Military construction, Army	319, 700, 000
Ordnance Department: Ordnance service and supplies, Army	4, 003, 500, 000
Chemical Corps: Chemical Service, Army	51, 100, 000
Army training	3, 600, 000
United States Military Academy: Maintenance and operation	65, 000
Civilian components:	
Army National Guard	28, 100, 000
Organized Reserves	10, 900, 000
Departmental salaries and expenses:	
Salaries, Department of the Army	4, 900, 000
Contingent expenses, Department of the Army	9, 300, 000
Expediting production	575, 000, 000
Civilian relief in Korea	100, 000, 000
Total, Department of the Army	9, 210, 865, 000

DEPARTMENT OF DEFENSE—Continued

DEPARTMENT OF THE NAVY

Military personnel, Navy	$184, 547, 000
Military personnel, Naval Reserve (transfer)	−9, 756, 000
Military personnel, officer candidates	469, 000
Naval personnel, general expenses	21, 801, 000
Military personnel, Marine Corps	96, 323, 000
Military personnel, Marine Corps Reserve (transfer)	−10, 093, 000
Marine Corps troops and facilities	291, 092, 000
Aircraft and facilities	158, 520, 000
Construction of aircraft and related procurement	156, 360, 000
Ships and facilities	383, 005, 000
Construction of ships	335, 330, 000
Ordnance and facilities	707, 009, 000
Ordnance for new construction	42, 394, 000
Medical care	27, 705, 000
Civil engineering	78, 701, 000
Public works (new)	303, 378, 000
Research	32, 085, 000
Service-wide supply and finance	31, 436, 000
Navy stock fund	100, 000, 000
Service-wide operations	48, 440, 000
Island governments	625, 000
Total, Department of the Navy	2, 979, 371, 000

DEPARTMENT OF THE AIR FORCE

Aircraft and related procurement	2, 114, 700, 000
Major procurement other than aircraft	583, 900, 000
Acquisition and construction of real property	807, 000, 000
Maintenance and operations	704, 600, 000
Military personnel requirements	264, 700, 000
Research and development	115, 000, 000
Reserve personnel requirements	1, 000
Contingencies	13, 110, 000
Total, Department of the Air Force	4, 603, 011, 000
Total, Department of Defense	16, 844, 247, 000
Total, proposed supplemental appropriations	17, 978, 247, 000

DETAIL OF PROPOSED SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 1951

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, namely:

INDEPENDENT OFFICES

ATOMIC ENERGY COMMISSION

For an additional amount for "Atomic Energy Commission", *$1,050,000,000, and appropriations made under this head for the fiscal year 1951 shall be available for the purchase of additional passenger motor vehicles.*

This proposed supplemental appropriation is required primarily for the construction of additional plant facilities which are necessary to expand substantially the production capacity of the Atomic Energy Commission. A portion of the Tennessee Valley Authority supple-

mental estimate recommended below is for the construction of power generation and transmission facilities essential to this expansion program.

The estimate also provides necessary additional funds for the acceleration of production and research operations.

TENNESSEE VALLEY AUTHORITY

For an additional amount for "Tennessee Valley Authority", $84,000,000, to remain available until expended: *Provided, That purchases and contracts for supplies or services may be made by the Authority during the fiscal year 1951 without regard to any provisions of law relating to advertising or competitive bidding.*

Of the foregoing proposed supplemental appropriation $25,000,000 is necessary to initiate additional power generating facilities to meet essential loads of expanding Government installations and other defense requirements in the Tennessee Valley area, and $59,000,000 is required for construction of power generation and transmission facilities for the atomic-energy program.

DEPARTMENT OF DEFENSE

For additional amounts for appropriations under the Department of Defense for the fiscal year 1951, as follows:

OFFICE OF THE SECRETARY OF DEFENSE

"Salaries and expenses", $1,000,000; *and the limitation under this head in the Defense Appropriation Act, 1951, on the amount available for emergency and extraordinary expenses, is increased from "$50,000", to "$60,000";*

"Emergency fund", $50,000,000;

DEPARTMENT OF THE ARMY

OFFICE OF THE SECRETARY OF THE ARMY

"Contingencies of the Army", $19,100,000;

FINANCE DEPARTMENT

Finance Service, Army:

"Pay of the Army", $695,200,000;

"Travel of the Army", $17,700,000;

"Finance service", $4,000,000;

QUARTERMASTER CORPS

Quartermaster Service, Army: *Provided, That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952:*

"Welfare of enlisted men", $7,500,000;

"Subsistence of the Army", $343,800,000;

"Regular supplies of the Army", $275,300,000;

"Clothing and equipage", $892,100,000, *of which not to exceed $350,000,000 is for payment of obligations incurred under authority granted under this head in the Supplemental Appropriation Act, 1951, to enter into contracts for the purchase of 100,000,000 pounds of raw wool, woolen garments, fabrics, and knitting yarns for use of all the armed services, which contracts shall not exceed the amount herein appropriated for payment thereunder;*

"Incidental expenses of the Army", $34,900,000;

TRANSPORTATION CORPS

"Transportation service, Army", $422,400,000;

SIGNAL CORPS

"Signal service of the Army", $665,100,000: *Provided, That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;*

MEDICAL DEPARTMENT

"Medical and Hospital Department", $71,000,000;

CORPS OF ENGINEERS

"Engineer service, Army", $656,600,000: *Provided, That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;*

"Military construction, Army" to remain available until expended, $319,700,000;

ORDNANCE DEPARTMENT

"Ordnance service and supplies, Army", $4,003,500,000: *Provided, That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952: Provided further, That the sum of $2,500,000 of the appropriation "Ordnance service and supplies, Army", 1942–1946, shall remain available until June 30, 1951, for the payment of obligations incurred under contracts executed thereunder prior to July 1, 1946;*

CHEMICAL CORPS

"Chemical service, Army", $51,100,000: *Provided, That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;*

ARMY TRAINING

"Army training", $3,600,000;

UNITED STATES MILITARY ACADEMY

Maintenance and Operation

"Maintenance and operation", $65,000;

CIVILIAN COMPONENTS

"Army National Guard", $28,100,000: *Provided, That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;*

"Organized reserves", $10,900,000: *Provided, That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;*

DEPARTMENTAL SALARIES AND EXPENSES

Salaries, Department of the Army:
"Office of the Chief of Staff", $370,713;
"Adjutant General's Office", $1,679,965;
"Office of the Inspector General", $4,202;
"Office of the Judge Advocate General", $17,530;
"Office of the Chief of Finance", $118,434;
"Office of the Quartermaster General", $604,154;
"Office of the Chief of Transportation", $178,725;
"Office of the Chief Signal Officer", $483,339;
"Office of the Provost Marshal General", $42,212;
"Office of the Surgeon General", $383,585;
"Office of the Chief of Engineers", $416,013;
"Office of the Chief of Ordnance", $408,576;
"Office of Chief, Chemical Corps", $187,442;
"Office of Chief of Chaplains", $5,110;
"Contingent expenses, Department of the Army", $9,300,000;

EXPEDITING PRODUCTION

"Expediting production", $575,000,000*: Provided, That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;*

CIVILIAN RELIEF IN KOREA

For expenses, not otherwise provided for, necessary for emergency relief for the civilian population of Korea, including the procurement, operation, maintenance, and distribution of equipment, materials and services for informational and reorientation purposes; travel; and transportation; $100,000,000, to remain available until June 30, 1952: Provided, That the President may transfer to any other department or agency any function provided for herein, and there may be transferred to such department or agency, without reimbursement, such property as the Bureau of the Budget shall determine to relate primarily to any function so transferred: Provided further, That materials and supplies available to the Department of Defense may be used for the purposes of this appropriation without reimbursement therefor;

DEPARTMENT OF THE NAVY

"Military personnel, Navy", $184,547,000;

"Military personnel, officer candidates", $469,000;

"Navy personnel, general expenses", $21,801,000;

"Military personnel, Marine Corps", $96,323,000;

"Marine Corps troops and facilities", $291,092,000, *of which $5,312,000 shall be derived by transfer from "Military personnel, Marine Corps Reserve, 1951";*

"Aircraft and facilities", $158,520,000, *of which $9,756,000 shall be derived by transfer from "Military personnel, Naval Reserve, 1951", and $4,781,000 by transfer from "Military personnel, Marine Corps Reserve, 1951";*

"Construction of aircraft and related procurement", $156,360,000, to remain available until expended*: Provided, That the aircraft procurement program established under this head in the Defense Appropriation Act, 1951, as increased by the Supplemental Appropriation Act, 1951, is further increased by $156,360,000;*

"Ships and facilities", $383,005,000;

"Construction of ships", $335,330,000, to remain available until expended*: Provided, That the limitations heretofore imposed under this head on the total of obligations to be incurred for construction, conversion, or replacement approved during the fiscal years 1950 and 1951, are repealed: Provided further, That the total of obligations incurred for construction, conversion, or replacement, approved between May 16, 1947, and June 30, 1951, shall not exceed $1,064,271,000;*

"Ordnance and facilities", $707,009,000;

"Ordnance for new construction", $42,394,000, to remain available until expended*: Provided, That the limitations heretofore imposed under this head on the total of obligations to be incurred for armor, armament, and ammunition for construction, conversion, or replacement approved during the fiscal years 1950 and 1951 are repealed: Provided further, That the total of obligations incurred for armor, armament, and ammunition, for construction, conversion, or replacement, approved between May 16, 1947, and June 30, 1951, shall not exceed $356,123,000;*

"Medical care", $27,705,000;

"Civil engineering", $78,701,000*: Provided, That the limitations on purchase of passenger motor vehicles set forth under this head in the General Appropriation Act, 1951, and in Sec. 107 of the Supplemental Appropriation Act, 1951, are repealed.*

"Public works (new)", $303,378,000; to remain available until expended;

"Research", $32,085,000;

"Service-wide supply and finance", $31,436,000;

"Navy stock fund": For additional working capital for the Navy stock fund, established pursuant to the National Security Act Amendments of 1949, $100,000,000;

"Service-wide operations", $48,440,000; *and the limitation under this head in the Defense Appropriation Act, 1951, as increased by the Supplemental Appropriation Act, 1951, on the amount available for emergencies and extraordinary expenses, is further increased by $13,445,000;*

"Island governments", $625,000;

Department of the Air Force

NOTE.—Transfers and adjustments between Department of the Air Force appropriations have heretofore been accomplished under authority of section 403 of the National Security Act of 1947, as amended. Such transfers and adjustments, which group related programs within a single appropriation, have resulted in the elimination of three appropriations, the establishment of a new appropriation, and the reduction in the total number of appropriations from eleven to nine.

In order to present these changes which have been effected pursuant to section 403 of the National Security Act of 1947, as amended, as well as the new matter which is being proposed in this supplemental submission, the full texts of the appropriations involved are set forth and changes therein are presented as follows:

New matter, proposing authority not heretofore contained in Air Force appropriations, is set forth in *italics* in the normal manner.

Matter which has been transferred from one appropriation to another, pursuant to section 403 of said act, is set forth in ***bold face italics*** in the appropriation to which the authority has been transferred.

Matter proposed for deletion is set forth in single brackets ([ ]) in the normal manner.

Matter which has been deleted by reason of transfer from one appropriation to another or because of other adjustments, pursuant to section 403 of said act, is set forth in double brackets ([[ ]]) in the appropriation from which the transfer has been made or in which the change has been effected.

For additional amounts for appropriations under the Department of the Air Force as established or adjusted pursuant to section 403 (b) of the National Security Act of 1947, as amended, as follows:

[[CONSTRUCTION OF]] AIRCRAFT AND RELATED PROCUREMENT

"Aircraft and related procurement", including construction, procurement, and [contract] modification of aircraft and equipment, armor and armament, spare parts and accessories therefor; electronic and communication equipment, detection and warning systems, and specialized equipment; expansion of public *and private* plants, [and] Government-owned equipment and installation thereof in [public or private] *such* plants, *erection of structures, and acquisition of land without regard to sections 1136 and 3734, Revised Statutes, as amended,* for the foregoing purposes, *and such land, and interests therein, may be acquired and construction prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended;* industrial mobilization, including maintenance of reserve plants and equipment and procurement planning; and other expenses necessary for the foregoing purposes, including rents, transportation of things and personal services in the field; to remain available until expended [, $1,700,000,000, of which $1,525,000,000 is for payment of obligations incurred under authority heretofore granted to enter into contracts for the foregoing purposes]*; $2,114,700,000*: *Provided,* That [there is hereby established a 1951 aircraft procurement program (including all purposes and objects provided for under this head) in an amount of $1,711,440,000, to be provided from (1) this appropriation, (2) the contract authority granted hereinafter, and (3) $726,151,000 of the balance of the contract authority granted under this head in the "National Military Establishment Appropriation Act, 1950", but this proviso shall not be construed to prevent the use in the fiscal year 1951 of other unused contract authority heretofore granted for aircraft procurement: *Provided further,* That the unexpended balances of the appropriations granted under the head "Air Corps, Army," for the fiscal years 1947 and 1948, shall remain available until June 30, 1951, for the payment of obligations incurred thereunder prior to July 1, 1947, and July 1, 1948, respectively: *Provided further,* That the Secretary of the Air Force is authorized to enter into contracts for the foregoing purposes in an amount not to exceed $810,289,000.] *the aircraft procurement program heretofore established for the fiscal year 1951 is further increased by $2,114,700,000;*

[[SPECIAL PROCUREMENT]] *MAJOR PROCUREMENT OTHER THAN AIRCRAFT*

"Major procurement other than aircraft", including the procurement of [ordnance] supplies, materials, and equipment, and

spare parts therefor[;], *not otherwise provided for; electronic and communication equipment; and the* purchase of passenger motor vehicles [(including one at not to exceed $3,000); and supplies, materials, and equipment, not otherwise provided for, $147,900,000], *$583,900,000, to remain available until expended: Provided, That the unexpended balances of funds appropriated to the Air Force for the foregoing purposes in the Defense Appropriation Act, 1951, and the Supplemental Appropriation Act, 1951, shall remain available until expended;*

ACQUISITION AND CONSTRUCTION OF REAL PROPERTY

"Acquisition and construction of real property", including construction, installation, and equipment of temporary or permanent public works, military installations, and facilities for the Air Force, as authorized by the Act of March 30, 1949 (Public Law 30, Eighty-first Congress), the Act of October 27, 1949 (Public Law 415, Eighty-first Congress), *as amended,* the Act of May 11, 1949 (Public Law 60, Eighty-first Congress), and the Act of June 17, 1950 (Public Law 564, Eighty-first Congress), including construction authorized by law, without regard to sections 1136 and 3734, Revised Statutes, as amended, [including] *and the land, and interests therein, may be acquired and construction may be prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; expenses necessary for planning projects not otherwise authorized; and* hire of passenger motor vehicles*; $807,000,000;* to remain available until expended; [$164,784,000, of which $25,000,000 is for liquidation of obligations incurred pursuant to authority granted under this head in the Second Supplemental Appropriation Act, 1950, or authorized to be transferred to this head by the National Military Establishment Appropriation Act, 1950.]

MAINTENANCE AND OPERATIONS

"Maintenance and operations", including expenses necessary for the maintenance, operation, and [modification of aircraft, and for] ***administration of the activities of the Air Force, including the United States Air Force Reserve and the Air Reserve Officers' Training Corps;*** maintenance, operation, [repair, and other expenses necessary for Air Force facilities, including] *and modification of aircraft;* transportation of things; rents at the seat of government and elsewhere, and in administering the provisions of 43 U. S. C. 315q payments of rents may be made in advance; *repair of facilities;* field printing plants; hire of passenger motor vehicles; training and instruction of military and civilian personnel of the Air Force, including tuition and related expenses; pay, allowances and travel expenses of contract surgeons; utility services for buildings erected at private cost as authorized by law (10 U. S. C. 1346), and buildings on military reservations authorized by Air Force regulations to be used for welfare and recreational purposes; rental of land or purchase of options to rent land without reference to section 3648, Revised Statutes, as amended, use or repair of private property, and other necessary expenses of combat maneuvers; [[expenses of courts, boards, and commissions;]] organizational clothing and equipage; [[civilian clothing and when necessary an overcoat, the cost of all not to exceed $30, for each person upon each release from a military prison, each enlisted man discharged otherwise than honorably, each enlisted man convicted by a civil court for an offense resulting in confinement in a civil prison, and each enlisted man interned, or discharged without internment as an alien enemy;]] payment of exchange fees and exchange losses incurred by Air Force disbursing officers or their agents; losses in the accounts of Air Force disbursing officers as authorized by law (31 U. S. C. 95a; 50 U. S. C. 1705–1707; Act of July 26, 1947, Public Law 248); burial of the dead as authorized by law (10 U. S. C. 916–916d; 5 U. S. C. 103a), including remains of personnel of the Air Force of the United States who die while on active duty, travel allowances of attendants accompanying remains, and acquisition by lease or otherwise of temporary burial sites; conduct of schoolrooms, service clubs, chapels, and other

instructional, entertainment, and welfare expenses for enlisted men, ***not otherwise provided for***; expenses for inter-American cooperation as authorized for the Navy by the Act of August 2, 1946 (5 U. S. C. 421f), for Latin-American cooperation; payments of deficiency judgments and interests thereon arising out of condemnation proceedings heretofore instituted; and special services by contract or otherwise, [$1,027,662,000.] *$704,600,000;*

MILITARY PERSONNEL REQUIREMENTS

"Military personnel requirements", including pay, allowances, clothing, subsistence, transportation, interest on deposits of enlisted personnel, payment of life insurance premiums, and travel in kind for cadets and all other personnel of the Air Force of the United States on active duty (other than personnel of the Reserve components, including the Air National Guard, on active duty while undergoing reserve training), including mileage, per diem allowances, reimbursement of actual expenses of travel, transportation of troops, commutation of quarters, subsistence supplies for issue as rations to enlisted personnel, cloth and materials and clothing for issue and sale, and clothing allowances, as authorized by law; and, in connection with personnel paid from this appropriation, for rental of camp sites and local procurement of utility services and other necessary expenses incident to individual or troop movements (including packing and unpacking and transportation of organizational equipment), ice, meals for recruiting parties, monetary allowances for liquid coffee for troops when supplied cooked or travel rations, altering and fitting clothing, and commutation of rations, as authorized by law, to enlisted personnel, including those sick in hospitals (to be paid to the surgeon in charge); transportation, as authorized by law, of dependents, baggage, and household effects of personnel paid from this appropriation; transportation, or reimbursement therefor, of applicants for enlistment between places of acceptance for enlistment and recruiting stations, rejected applicants for enlistment, general prisoners, and discharged cadets; travel pay to discharged military personnel; transportation of persons discharged otherwise than honorably, prisoners upon each termination of confinement, and persons discharged from Saint Elizabeths Hospital after transfer thereto from the military service; commutation of quarters and rations to applicants for enlistment and general prisoners traveling under orders; rations for civilian employees when entitled thereto, applicants for enlistment, prisoners of war, and general prisoners; subsistence supplies for resale, as authorized by law; commutation of rations, as authorized by regulations, to applicants for enlistment, civilian employees entitled to subsistence at public expense, and general prisoners, while sick in hospitals (to be paid to the surgeon in charge); subsistence of supernumeraries necessitated by emergent military circumstances; issues of toilet articles and barbers' and tailors' material to general prisoners confined at military posts without pay and allowances, applicants for enlistment, and recruits upon first enlistment; ***civilian clothing and when necessary an overcoat, the cost of all not to exceed $30, for each person upon each release from a military prison, each enlisted man discharged otherwise than honorably, each enlisted man convicted by a civil court for an offense resulting in confinement in a civil prison, and each enlisted man interned, or discharged without internment as an alien enemy;*** expenses of apprehension and delivery of deserters, stragglers, and escaped military prisoners; payment, in the discretion of the Secretary, of rewards (not to exceed $25 in any one case) for the apprehension of deserters; confinement of military prisoners in nonmilitary facilities; donations of not to exceed $25 to each civilian prisoner upon each release from a military prison, to each enlisted man discharged otherwise than honorably upon each release from confinement under court-martial sentence, and to each person discharged for fraudulent enlistment[, $1,245,000,000.]***; expenses of courts, boards, and commissions; welfare;*** *and medals and other awards; $264,700,000;*

RESEARCH AND DEVELOPMENT

"Research and development", $115,000,000, to remain available until expended;

RESERVE PERSONNEL REQUIREMENTS

"Reserve personnel requirements", including pay, allowances, clothing, subsistence, and travel for personnel of the United States Air Force Reserve and the Air Reserve Officers' Training Corps, while on active duty undergoing reserve training or while performing drills or equivalent duty, or undergoing training and instruction; and the procurement and issue of uniforms to institutions necessary for the training of the Air Reserve Officers' Training Corps, as authorized by law; $1,000, *to remain available until June 30, 1952: Provided, That the unexpended balances of funds appropriated for the foregoing purposes in the Defense Appropriation Act, 1951, shall remain available until June 30, 1952;*

[[AIR FORCE RESERVE]]

[[For pay, allowances, clothing, subsistence, transportation (including mileage, actual and necessary expenses, or per diem in lieu thereof), and medical and hospital treatment and related expenses, as authorized by law, for personnel of the Air Force Reserve while on active duty undergoing Reserve training or while performing drills or equivalent duty; maintenance, operation, repair, and other necessary expenses of facilities for the training and administration of the Air Force Reserve; maintenance, operation, and modification of aircraft; personal services at the seat of the government and elsewhere; transportation of things; hire of passenger motor vehicles; supplies, materials, and equipment, not otherwise provided for, necessary to train and equip Air Force Reserve organizations; and expenses incident to the maintenance and use of supplies, materials, and equipment furnished from stocks under the control of the Air Force; $73,235,000.]]

[[AIR RESERVE OFFICERS' TRAINING CORPS]]

[[For pay, subsistenee, transportation, and allowances, ineluding travel allowanees, eommutation of subsistenee and uniforms, medieal and hospital treatment and related expenses, as authorized by law, for the Air Reserve Officers' Training Corps; and for necessary expenses, not otherwise provided for, of training and instruction of the Air Reserve Officers' Training Corps, ineluding maintenance and operation of facilities; transportation of things; hire of passenger motor vehicles; proeurement and issue to institutions of supplies, materials, and equipment, ineluding uniforms, necessary for the training and instruction of the Air Reserve Officers' Training Corps, as authorized by law; and expenses ineident to the maintenance and use of supplies, materials, and equipment furnished from stocks under the control of the Air Foree; to remain available until June 30, 1952; $10,600,000.]]

[[SALARIES AND EXPENSES, ADMINISTRATION]]

[[For expenses necessary for the administration of the Air Foree at the seat of government and at headquarters of major commands, including personal services; transportation of things; hire of passenger motor vehicles; and travel expenses, transportation of dependents, baggage, and household effeets of eivilian employees upon permanent change of station; $58,545,000.]]

CONTINGENCIES

"Contingencies", $13,110,000.

GENERAL PROVISIONS

SEC. —. *Notwithstanding any other provision of law, no part of any appropriation for the Department of Defense contained in this Act shall remain.available until expended unless so provided in the appropriation concerned.*

SEC. —. *Not to exceed $100,000 of appropriations available to the Army, Navy, and Air Force for the fiscal year 1951, for religious, welfare, recreational and morale activities shall be available, pursuant to the Act of May 3, 1945 (31 U. S. C. 691), for expenses necessary for the President's Committee on Religion and Welfare in the Armed Forces.*

SEC. —. *Section 619 of the Defense Appropriation Act, 1951, is amended by deleting the words: "(other than on permanent change of station)".*

SEC. —. *Payments by members of the United Nations for equipment, materials or services furnished in joint military operations shall be credited to proper appropriations of the Department of Defense in the manner authorized by section 403 (b) of the Mutual Defense Assistance Act of 1949.*

The foregoing proposed supplemental appropriations for the Department of Defense are necessary to support the United Nations forces in Korea, to further increase the strength and structure of our military forces, and to provide increased readiness should other situations arise.

C

81st Congress, 2d Session } HOUSE OF REPRESENTATIVES { Document No. 729

PROPOSED SUPPLEMENTAL APPROPRIATION TO PAY CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS AGAINST THE UNITED STATES

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A PROPOSED SUPPLEMENTAL APPROPRIATION TO PAY CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS RENDERED AGAINST THE UNITED STATES, AS PROVIDED BY VARIOUS LAWS, IN THE AMOUNT OF $5,274,033.96, TOGETHER WITH SUCH AMOUNTS AS MAY BE NECESSARY TO PAY INDEFINITE INTEREST AND COSTS AND TO COVER INCREASES IN RATES OF EXCHANGE AS MAY BE NECESSARY TO PAY IN FOREIGN CURRENCY

DECEMBER 4, 1950.—Referred to the Committee on Appropriations and ordered to be printed

THE WHITE HOUSE,
Washington, November 30, 1950.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of the Congress a proposed supplemental appropriation to pay claims for damages, audited claims, and judgments rendered against the United States, as provided by various laws, in the amount of $5,274,033.96, together with such amounts as may be necessary to pay indefinite interest and costs and to cover increases in rates of exchange as may be necessary to pay claims in foreign currency.

The details of this proposed appropriation, the necessity therefor, and the reasons for its submission at this time are set forth in the letter of the Director of the Bureau of the Budget and the attachment thereto, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., November 30, 1950.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration a proposed supplemental appropriation to pay claims for damages, audited claims, and judgments rendered against the United States, as provided by various laws, in the amount of $5,274,033.96, together with such amounts as may be necessary to pay indefinite interest and costs and to cover increases in rates of exchange as may be necessary to pay claims in foreign currency, as follows:

CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS

For payment of claims for damages as settled and determined by departments and agencies in accord with law, audited claims certified to be due by the General Accounting Office, and judgments rendered against the United States by United States district courts, the United States Court of Claims, and the Indian Claims Commission, as set forth in House Document Numbered ——, Eighty-first Congress, $5,274,033.96, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or in certain of the settlements of the General Accounting Office or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided,* That no judgment herein appropriated for shall be paid until it shall have become final and conclusive against the United States by failure of the parties to appeal or otherwise: *Provided further,* That, unless otherwise specifically required by law or by the judgment, payment of interest wherever appropriated for herein shall not continue for more than thirty days after the date of approval of this Act.

The details of the proposed supplemental appropriation covered in the letters from the various departments and agencies are set forth in the attachment to this letter.

In accordance with the provisions of law providing for this submission, I recommend that this proposed appropriation be transmitted to the Congress.

Respectfully yours,

F. J. LAWTON,
Director of the Bureau of the Budget.

SUMMARY OF AMOUNTS INCLUDED IN THE PROPOSED SUPPLEMENTAL APPROPRIATION TO PAY CERTAIN CLAIMS AND JUDGMENTS

DAMAGE CLAIMS

Department of Commerce: Bureau of Public Roads	$11, 275. 00
Department of Defense:	
Department of the Army	89, 378. 32
Department of the Navy	10, 000. 00
Department of the Air Force	8, 763. 53
Total, damage claims	119, 416. 85

AUDITED CLAIMS

Treasury Department	733. 20

JUDGMENTS

Court of Claims:	
Department of Agriculture	79, 140. 39
Department of Commerce	518, 758. 69
Department of Defense:	
Department of the Army	703, 018. 99
Department of the Navy	174, 316. 61
Department of the Interior	10, 812. 30
Department of Justice	1, 529. 39
Treasury Department	8, 679. 80
Total, Court of Claims judgments	1, 496, 256. 17
United States district courts:	
Independent offices: Veterans Administration	3, 393. 61
General Services Administration	2, 520. 00
Department of Defense:	
Department of the Army	85, 743. 51
Department of the Navy	13, 448. 94
Department of the Air Force	3, 317. 00
Department of the Interior	4, 500. 00
Post Office Department (to be paid from postal revenues)	23, 282. 87
Treasury Department	31, 578. 23
Total, United States district court judgments	167, 784. 16
Indian Claims Commission	3, 489, 843. 58
Total, judgments	5, 153, 883. 91
Grand total	5, 274, 033. 96

DETAIL OF PROPOSED SUPPLEMENTAL APPROPRIATION TO PAY CERTAIN CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS RENDERED AGAINST THE UNITED STATES, TO BE PAID OUT OF THE GENERAL FUND OF THE TREASURY UNLESS OTHERWISE INDICATED

Department of Commerce

bureau of public roads

Department of Commerce,
Bureau of Public Roads,
Washington 25, October 25, 1950.

Hon. F. J. Lawton,
Director, Bureau of the Budget,
Washington 25, D. C.

My Dear Mr. Lawton: Pursuant to the provisions of section 10 of the Defense Highway Act of 1941, approved November 19, 1941 (55 Stat. 765), as amended by Public Law 146, Seventy-Eighth Congress, approved July 13, 1943, there is set forth below a brief statement of the claim of Amite County, Miss., submitted by the Mississippi State Highway Department for the cost of repairs to 136 miles of county roads damaged by military operations out of Camp Dorn, Miss.

I have considered, ascertained, adjusted, and determined said claim accruing subsequent to May 27, 1941, and presented to the Bureau of Public Roads within the period specified in said act of Congress, as follows:

1. Damages occurred between September 1, 1942, and December 31, 1944.
2. Investigations by engineers of the Bureau of Public Roads disclose substantial damage to 109.5 miles of county roads by reason of the military operations.
3. A claim was submitted by Amite County, Miss., in the amount of $25,411.16. Of this amount, the county has agreed to a reduction of $14,136.16 for items considered ineligible for reimbursement.
4. The claim is recommended for payment in the amount of $11,275.

I hereby certify that the amount due claimant is based on information of record obtained by engineers of the Bureau of Public Roads after an investigation of the damages claimed.

Very truly yours,

Thos. H. MacDonald,
Commissioner of Public Roads.

Department of Defense

department of the army

Department of the Army,
Washington 25, D. C., November 9, 1950.

Hon. Frederick J. Lawton,
Director, Bureau of the Budget,
Washington, D. C.

Dear Mr. Lawton: In accordance with the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), as amended, to provide for the settlement

of claims for damage to or loss or destruction of property, or personal injury or death, caused by military personnel or civilian employees acting within the scope of their employment, or otherwise incident to noncombat activities of the Army, this Department has considered, ascertained, adjusted, and determined, in an amount in excess of $1,000, the claim hereinafter specified. The claim arose on March 24, 1947, and was presented in writing within 1 year after the accident or incident out of which it arose or otherwise within the time provided in the act. The amount due the claimant, which the claimant has agreed to accept in full satisfaction and final settlement of any and all claims, is in the sum of $1,825.00, all of which is property damage covered by insurance. Accordingly, the claim is hereby certified as having been determined to be of the character contemplated by the provisions of the act for report to Congress for its consideration, and it is recommended that the claim be submitted to Congress for appropriation for payment thereof. A brief statement of the character of the claim, the amount claimed, and the amount reported are as follows:

Matson Navigation Co., 15 Market Street, San Francisco 5, Calif. On March 24, 1947, military personnel or civilian employees of the Army, acting within the scope of their employment, negligently damaged the S. S. *Donald M. Dickinson* while attempting to move a United States Army derrick barge broadside against this vessel, thereby resulting in a loss to claimant in the amount of $1,825.

Amount claimed, $1,825; amount reported, $1,825.

Sincerely yours,

FRANK PACE, Jr.,
Secretary of the Army.

DEPARTMENT OF THE ARMY,
Washington 25, D. C., November 7, 1950.

Hon. FREDERICK J. LAWTON,
Director, Bureau of the Budget,
Washington, D. C.

DEAR MR. LAWTON: In accordance with the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), as amended, to provide for the settlement of claims for damage to or loss or destruction of property, or personal injury or death, caused by military personnel or civilian employees acting within the scope of their employment, or otherwise incident to noncombat activities of the Army, this Department has considered, ascertained, adjusted, and determined, in amounts in excess of $1,000 each, claims for damage to or loss or destruction of property and personal injury as hereinafter specified. Each of the claims arose on or after May 27, 1941, and was presented in writing within 1 year after the accident or incident out of which it arose or otherwise within the time provided in the act. The amounts found due the several claimants, which they have agreed to accept in full satisfaction and final settlement of their respective claims, no part of which is property damage covered by insurance, are hereby certified as having been determined to be of the character contemplated by the provisions of the act for report to Congress for its consideration, and it is recommended that they be submitted to Congress for appropriation for the payment thereof. A brief statement of the character of the claims, the amounts claimed, and the amounts reported are as follows:

1. Charles C. Iwasaki, administrator of the estate of Jisaku Iwasaki, deceased, care of Wilder Wight, Box 154, Kaunakakai, Molokai, T. H. On December 7,

1941, military personnel or civilian employees engaged in operations incident to noncombat activities of the Army impounded claimant's fishing boat, the *Konpira Maru*, which resulted in a bailment thereof to the Government. Claimant's fishing boat later became lost, damaged, or destroyed, thereby resulting in a loss to claimant in the amount of $1,600.

Amount claimed, $1,600; amount reported, $1,600.

2. Merritt-Chapman & Scott Corp., 17 Battery Place, New York 4, N. Y. On April 12, 1949, at Wilmington, Del., a Government-owned dredge, operated by military personnel or civilian employees of the Army acting within the scope of their employment, negligently struck and damaged claimant's caisson, thereby resulting in a loss to claimant in the amount of $1,533.

Amount claimed, $1,533; amount reported, $1,533.

3. Mrs. Kathryn Stewart Power, 520 Dorset Avenue, Chevy Chase, Md. Between April 16, 1948, and October 8, 1948, en route from Berlin, Germany, to Washington, D. C., military personnel or civilian employees of the Army, while acting within the scope of their employment, lost, damaged, or destroyed claimant's personal property which had been bailed to the Government, thereby resulting in a loss to the claimant in the amount of $1,149.85.

Amount claimed, $1,431.25; amount reported, $1,149.85.

4. Mildred K. Stine, 167 Woodlawn Avenue, Saratoga Springs, N. Y. On April 22, 1950, the Oriental Hotel, Kobe Base, Kobe, Japan, in which claimant was officially billeted, was destroyed by a fire negligently caused by civilian employees of the Army while acting within the scope of their employment, thereby resulting in a loss to claimant in the amount of $1,189.65.

Amount claimed, $1,330.75; amount reported, $1,189.65.

Summary, 4 claims

Amount claimed	$5, 895. 00
Amount reported	5, 472. 50

Sincerely yours,

FRANK PACE, Jr.,
Secretary of the Army.

DEPARTMENT OF THE ARMY,
Washington 25, D. C., September 21, 1950.

Hon. FREDERICK J. LAWTON,
Director, Bureau of the Budget,
Washington, D. C.

DEAR MR. LAWTON: In accordance with the act of January 2, 1942 (55 Stat. 880), as amended (31 U. S. C. 224d), commonly referred to as the Foreign Claims Act, to promote and maintain friendly relations by the prompt settlement of meritorious claims on account of damage arising out of personal injury and damage to privately owned personal property of an inhabitant of a foreign country resulting from noncombat activity of the Army in foreign countries, this Department has considered, ascertained, and determined, in an amount in excess of $5,000 each, claims for damage to or loss or destruction of property and personal injury as hereinafter specified. These claims arose after January 2, 1942, and were presented within 1 year after the date of the accidents causing the damage. The claimants, who are not nationals of any country at war with the United States, or of any ally of such enemy country, have agreed to accept in full satisfaction and final settlement of their claims, the amounts reported as meritorious by this Department, and the said claims are certified as having been determined to be of the character contemplated by provisions of the act for report to Congress for its consideration, and it is recommended that they be submitted to Congress for an appropriation for the payment thereof. It is further recommended that in

making an appropriation for payment of the claims the Congress provide the definite amounts of the claims, together with such additional sums due to increases in rates of exchange as may be necessary to pay the claims in the foreign currency specified. A brief statement of the character of the claims, the amounts claimed, and the amounts reported follows:

1. Demonstration Gold Mines, Ltd., care of Breed, Abbott & Morgan, 1317 F Street, NW., Washington 4, D. C. During May, June, and July 1945, United States military personnel took lumber, galvanized iron sheets, furniture, equipment, and supplies from the claimant's mine located at Baguio City, Luzon, Philippine Islands, for military and nonmilitary purposes. The taking of material and equipment incident to noncombat activities of the Army resulted in a loss to claimant in the amount of $29,389.38.

Amount claimed, $527,042.50; amount reported, $29,389.38.

2. Denise Raskin, by her attorney in fact, Alex Leruth, 325 Rue Montage, Sainte-Walburge, Liege, Belgium. On December 4, 1948, a United States Army vehicle operated by an employee of the Army on an authorized mission was proceeding on rue de Jupille in Vise, Belgium, in the direction of Liege. At the same time, claimant's husband, approaching from the opposite direction on a motorcycle, was unable to avoid striking the United States vehicle which had improperly crossed to the left of the center of the highway. Claimant's husband received fatal injuries and the motorcycle was damaged beyond economical repair, thereby resulting in a loss to claimant in the amount of 509,680.1 Belgian francs ($10,193.60).

Amount claimed, 2,204,078.88 Belgian francs ($44,081.58); amount reported, 509,680.1 Belgian francs ($10,193.60).

Summary, 2 claims

Amount claimed	$571, 124. 08
Amount reported	39, 582. 98

Sincerely yours,

FRANK PACE, Jr.,
Secretary of the Army.

DEPARTMENT OF THE ARMY,
Washington 25, D. C., September 20, 1950.

Hon. FREDERICK J. LAWTON,
Director, Bureau of the Budget,
Washington, D. C.

DEAR MR. LAWTON: In accordance with the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), as amended, to provide for the settlement of claims for damage to or loss or destruction of property, or personal injury or death, caused by military personnel or civilian employees acting within the scope of their employment, or otherwise incident to noncombat activities of the Army, this Department has considered, ascertained, adjusted, and determined, in amounts in excess of $1,000 each, claims for damage to or loss or destruction of property and personal injury as hereinafter specified. Each of the claims arose on or after May 27, 1941, and was presented in writing within 1 year after the accident or incident out of which it arose or otherwise within the time provided in the act. The amounts found due the several claimants, which they have agreed to accept in full satisfaction and final settlement of their respective claims, no part of which is property damage covered by insurance, are hereby certified as having been determined to be of the character contemplated by the provisions of the act for report to Congress for its consideration, and it is recommended that they be submitted to Congress for appro-

priation for the payment thereof. A brief statement of the character of the claims, the amounts claimed, and the amounts reported are as follows:

1. Mrs. Eloise B. Cruse, 4057 Hampshire Boulevard, Fort Worth, Tex. Five crates of claimant's personal property bailed to the Government and stored at pier 4, Oakland Army Base, Calif., awaiting shipment to Japan, were destroyed by fire on March 15, 1949, thereby resulting in a loss to claimant in the amount of $1,140.58.

Amount claimed, $1,239.70; amount reported, $1,140.58.

2. Liessel S. Scheiber, 134 Edgewater Apartments, Baltimore 21, Md. During September 1948, en route from Giessen, Germany, to Baltimore, Md., military personnel or civilian employees of the Army, while acting within the scope of their employment, lost, damaged, or destroyed claimant's personal property which had been bailed to the Government for shipment, thereby resulting in a loss to claimant in the amount of $1,599.66.

Amount claimed, $3,226.40; amount reported $1,599.66.

3. Commonwealth of Massachusetts, Metropolitan District Water Supply Commission, 20 Somerset Street, Boston, Mass. During the month of May 1944, Army bombers operating from Westover Field, Mass., while engaged in practice bombing missions, caused forest fires on land owned by claimant, thereby resulting in a loss to claimant in the amount of $37,757.60.

Amount claimed, $85,600.00; amount reported, $37,757.60.

4. North Carolina State Highways and Public Works Commission, Raleigh, N. C. On May 18, 1949, military personnel and civilian employees of the Army, while towing a pipeline by means of a United States tug and a United States Corps of Engineers dredge, collided with and damaged the fender system of the Atlantic Beach Bridge, thereby resulting in a loss to claimant in the amount of $2,000.

Amount claimed, $2,000; amount reported, $2,000.

Summary, 4 claims

Amount claimed	$92,066.10
Amount reported	42,497.84

Sincerely yours,

FRANK PACE, JR.,
Secretary of the Army.

DEPARTMENT OF THE NAVY

THE SECRETARY OF THE NAVY,
Washington, October 2, 1950.

Hon. FREDERICK J. LAWTON,
Director, Bureau of the Budget,
Washington 25, D. C.

MY DEAR MR. LAWTON: Public Law 393, Seventy-seventh Congress, approved January 2, 1942 (55 Stat. 880), as amended, provides for the settlement of claims arising out of the death of inhabitants of a foreign country where such death was caused by Navy or Marine Corps forces, or individual members thereof, incident to noncombat activities of such forces, where the amount does not exceed $5,000. It is further provided thereunder that the Secretary of the Navy shall have authority, if he deems any claim in excess of $5,000 to be meritorious, to certify such amount as may be found to be just and reasonable thereon to Congress.

The Secretary of the Navy has ascertained, adjusted, and determined the claim hereinafter specified to be just, reasonable, and meritorious. The claim arose after January 2, 1942, in the Republic of China, and was presented within 1 year after the occurrence of the accident causing the death on which the claim is based. The claimant

is not a national of any country at war with the United States, or of any ally of such enemy country, and has agreed to accept in full satisfaction and final settlement of her claim the amount reported as meritorious by the Department of the Navy.

Accordingly, subject claim is hereby certified as having been determined to be of the character contemplated by the provisions of the act for report to Congress for its consideration. It is recommended that the claim as set forth below be submitted to Congress for payment out of appropriations that may be made by Congress therefor. A brief statement of the character of the claim, the amount claimed, and the amount reported follows:

Chen Chao Tsan Chun, in her own behalf and as the duly appointed representative of the heirs of Chen Tien Tsin, Tsingtao, China. On January 2, 1948, while riding in a taxi jeep in Tsingtao, China, the claimant's husband met his death as a result of a collision with a vehicle owned by the United State Government and operated by a member of its military forces. The Government vehicle was a 2½-ton truck operated by Staff Sgt. Ray Thomas Arnold (390285), United States Marine Corps. The accident occurred on the left-hand side of the road, as Sergeant Arnold's vehicle sideswiped the smaller car in an effort to maneuver the truck toward the right or western lane as he was proceeding in a southerly direction. Deceased was struck in the head by the impact and died almost immediately thereafter. He was the sole support of his wife and four children and earned approximately $65 per month as an engineer at the China Textile & Weaving Industries, Inc. The deceased's surviving spouse refused to accept $5,000 in full satisfaction and in final settlement of her claim but is willing to accept $10,000 and has executed an offer of acceptance and release for that sum. A duly constituted Foreign Claims Commission considered the claim submitted by Chen Chao Tsan Chun in this amount and determined the claim to be meritorious.

Amount claimed $155,000; amount reported $10,000.

FRANCIS P. MATTHEWS.

DEPARTMENT OF THE AIR FORCE

DEPARTMENT OF THE AIR FORCE,
Washington, September 18, 1950.

DIRECTOR, BUREAU OF THE BUDGET,
Washington 25, D. C.

DEAR MR. DIRECTOR: In accordance with the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), as amended, as made applicable to the Department of the Air Force and the Air Force by the National Security Act of 1947 (61 Stat. 501; 5 U. S. C. 626) and Transfer Order No. 30, dated April 28, 1949 (JAAF Bulletin No. 10, dated May 11, 1949), to provide for the settlement of claims for damages to or loss or destruction of property, or personal injury or death, caused by military personnel or civilian employees acting within the scope of their employment, or otherwise incident to noncombat activities of the Air Force, this Department has considered, ascertained, adjusted, and determined, in an amount in excess of $1,000, the claim for damages to or loss or destruction of property and personal injury as hereinafter specified. The claim arose on or after May 27, 1941, and was presented in writing within 1 year after the accident or incident out of which it arose or otherwise within the time provided in the act. The amount found due the claimant, which the claimant has agreed to accept in full satisfaction and final settlement of any and all claims, both insured and uninsured, is the sum of $2,616.82. Of this sum, $2,107.89 represents the amount of insurance coverage

under policies issued to the claimant by the Insurance Company of North America and the American Surety Co., of New York. Accordingly, the claim is hereby certified as having been determined to be of the character contemplated by the provisions of the act for report to Congress for appropriation for payment thereof. A brief statement of the character of the claim, the amount claimed, and the amount reported follows:

Mr. and Mrs. Walter R. Bridges, 418 West Dee Street, Lebanon, Ill. On April 30, 1950, a United States Air Force aircraft, type B–25, No. 44–49443, while on a duly authorized flight, crashed and exploded in Lebanon, Ill. The resulting fire caused extensive damage to claimants' dwelling house and personal belongings.
Amount claimed, $2,766.33; amount reported, $2,616.82.

Summary

Amount claimed	$2, 766. 33
Amount reported	2, 616. 82

Sincerely yours,

EUGENE M. ZUCKERT,
Assistant Secretary of the Air Force.

DEPARTMENT OF THE AIR FORCE,
Washington, September 13, 1950.

DIRECTOR, BUREAU OF THE BUDGET,
Washington 25, D. C.

DEAR MR. DIRECTOR: In accordance with the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), as amended, as made applicable to the Department of the Air Force and the Air Force by the National Security Act of 1947 (61 Stat. 501; 5 U. S. C. 626) and Transfer Order No. 30, dated April 28, 1949 (JAAF Bulletin No. 10, dated May 11, 1949), to provide for the settlement of claims for damages to or loss or destruction of property, or personal injury or death, caused by military personnel or civilian employees acting within the scope of their employment, or otherwise incident to noncombat activities of the Air Force, this Department has considered, ascertained, adjusted, and determined, in an amount in excess of $1,000, the claim for damage to or loss or destruction of property and personal injury as hereinafter specified. The claim arose on or after May 27, 1941, and was presented in writing within 1 year after the accident or incident out of which it arose or otherwise within the time provided in the act. The amount found due the claimant, which the claimant has agreed to accept in full satisfaction and final settlement of any and all claims, both insured and uninsured, is the sum of $6,146.71. Of this sum, $2,784.56 represents the amount of insurance coverage under a policy issued to the claimant by the Lumberman's Insurance Co., of Philadelphia. Accordingly, the claim is hereby certified as having been determined to be of the character contemplated by the provisions of the act for report to Congress for appropriation for payment thereof. A brief statement of the character of the claim, the amount claimed, and the amount reported follows:

Mr. and Mrs. LeMayne W. Hage, 1340 Bellaire Street, Denver, Colo. On May 14, 1950, a United States Air Force aircraft, type F–80, No. 45–8580A, while on a duly authorized training mission, crashed and exploded in Aurora, Colo. The resulting fire caused extensive damage to claimant's dwelling house and personal belongings.

Amount claimed, $6,449.56; amount reported, $6,146.71.

Summary

Amount claimed	$6,449.56
Amount reported	6,146.71

Sincerely yours,

EUGENE M. ZUCKERT,
Assistant Secretary of the Air Force.

AUDITED CLAIMS

TREASURY DEPARTMENT,
Washington 25, November 24, 1950.

The DIRECTOR, BUREAU OF THE BUDGET,
Washington 25, D. C.

SIR: An appropriation will be required for the payment of a claim allowed by the General Accounting Office, as set forth on the attached schedule, in favor of Conners-Standard Marine Corp. under the Suits in Admiralty Act in the amount of $690.

Very truly yours,

GEO. H. JONES,
Acting Budget Officer, Treasury.

Claim allowed by the General Accounting Office covering judgment rendered in the United States District Court for the Eastern District of New York in favor of Conners-Standard Marine Corp., as owner of the barge "Frost Valley" (A–19410, dated Sept. 6, 1950), chargeable to the appropriation "21X0414 Judgments in admiralty, Department of the Army"

Certificate No.	Name	Amount
1886522	Conners-Standard Marine Corp	$690

TREASURY DEPARTMENT,
Washington 25, November 24, 1950.

The DIRECTOR, BUREAU OF THE BUDGET,
Washington 25, D. C.

SIR: An appropriation will be required for the payment of a claim allowed by the General Accounting Office, as set forth on the attached schedule, in favor of Chauncey McCollister as "Extra pay to volunteers, war with Spain, act June 26, 1934," in the amount of $43.20.

Very truly yours,

GEO. H. JONES,
Acting Budget Officer, Treasury.

Claim allowed by the General Accounting Office under authority of act of Jan. 12, 1899, 30 Stat. 784 (21X0404 Extra pay to volunteers, war with Spain, act June 26, 1934), Department of the Army

Certificate No.	Name	Amount
1865119	Chauncey McCollister	$43.20

JUDGMENTS

TREASURY DEPARTMENT,
Washington 25, November 24, 1950.

DIRECTOR, BUREAU OF THE BUDGET,
Washington 25, D. C.

SIR: An appropriation will be required for the payment of judgments presented to this Department which have been rendered by the Court of Claims and the United States district courts, in an aggregate amount of $1,664,040.33, together with such amount as may be necessary to pay indefinite interest and costs, as follows:

Court of Claims (schedule A)	$1, 496, 256. 17
United States district courts:	
Payable from the general fund (schedule B)	144, 501. 29
Payable from postal revenues (schedule C)	23, 282. 87
Total	1, 664, 040. 33

These totals are itemized by departments in the appended schedules. However, the amounts shown on schedules A and B may be included in one appropriation to be established under Treasury Department. It is, of course, understood that none of the judgments shall be paid until the right of appeal has expired.

Very truly yours,

GEO. H. JONES,
Acting Budget Officer, Treasury.

SCHEDULE A

Judgments rendered by the Court of Claims against the United States—Treasury Department, Fiscal Service, Bureau of Accounts, Division of Bookkeeping and Warrants

Docket No.	Claimant	Amount	Date of judgment	Presented to Treasury	Nature of claim
	EXECUTIVE DEPARTMENTS				
	DEPARTMENT OF AGRICULTURE				
47362	Pacific Cooperative Poultry Producers, Inc	$78,050.40	Oct. 9, 1950	Oct. 16, 1950	Adjustment in price of eggs.
49570	George Aris Harrison	1,089.99	Nov. 7, 1950	Nov. 8, 1950	Back salary.
	Total	79,140.39			
	DEPARTMENT OF COMMERCE (MARITIME ADMINISTRATION)				
48649	Oliver J. Olson & Co., a corporation	175,000.00	July 10, 1950	Sept. 25, 1950	Just compensation.
48538	Johannes Ramselius, Minnie Ramselius, Elna Von Der Mehden, and Gertrude K. Gray.	[1] 235,150.27	May 19, 1950	June 2, 1950	Do.
48781	New Bedford, Woods Hole, Martha's Vineyard, and Nantucket Steamship Authority, a body corporate, as successor to Massachusetts Steamship Lines, Inc., a corporation, as successor to Cape Cod Steamship Co., a corporation.	3,900.00	Oct. 2, 1950	Oct. 9, 1950	Requisition and use of vessel *Steel Pier*.
46399	Southern Pacific Co	6,753.72	do	do	Adjustment of rates.
46767	Southern Pacific Co	21,988.13	do	do	Do.
46647	Southern Pacific Co	9,966.57	do	do	Do.
48698	Seatrade Corp	66,000.00	do	Oct. 12, 1950	Requisition and use of vessel.
	Total	518,758.69			
	DEPARTMENT OF DEFENSE				
	DEPARTMENT OF THE ARMY				
48333	Tide Water Associated Oil Co	537,949.29	do	Oct. 5, 1950	Seizure and use of Pandacan Terminal.
46611	Commodities Trading Corp., et al	[2] 23,862.62	June 13, 1950	Oct. 18, 1950	Requisition of whole black pepper.
47587	Commodities Trading Corp. and Irving Trust Co	52,895.36	Oct. 2, 1950	do	Do.
47588	Commodities Trading Corp	36,500.76	do	do	Do.
49527	John G. Grieb	3,768.46	Oct. 10, 1950	Oct. 23, 1950	Salary adjustment after separation from service.
49322	Chester V. Mero	426.72	Oct. 2, 1950	Oct. 30, 1950	Reimbursement of salary lost.
49123	Swift & Co., a corporation	279.61	do	Oct. 18, 1950	Adjustment of freight rates.
46442	The Pennsylvania R. R. Co., a corporation	43,303.51	Nov. 7, 1950	Nov. 10, 1950	Reimbursement for transportation.
47690	Margaret V. Jones Carroll, executrix of the estate of Donald F. Carroll	4,032.66	Oct. 2, 1950	Nov. 8, 1950	Reimbursement for back pay.
	Total	703,018.99			

[1] Plus interest in indefinite amount.
[2] Plus compensation for delay in payment computed on $50,266.76 at 4 percent per annum from May 26, 1944, to Nov. 27, 1945.

Judgments rendered by the Court of Claims against the United States—Treasury Department, Fiscal Service, Bureau of Accounts, Division of Bookkeeping and Warrants—Continued

Docket No.	Claimant	Amount	Date of judgment	Presented to Treasury	Nature of claim
	EXECUTIVE DEPARTMENTS—Continued				
	DEPARTMENT OF DEFENSE—Continued				
	DEPARTMENT OF THE NAVY				
45799	Charles J. Cooke	[1] $10,566.96	June 5, 1950	Sept. 14, 1950	Just compensation.
47586	Virgil O. Briggs	3,120.25	May 1, 1950	May 8, 1950	Increased rental and subsistence allowances.
48217	The Central National Bank, of Richmond, Va., a national banking association.	11.193.55	July 10, 1950	July 26, 1950	Reimbursement under contract.
47534	Bushnell Steel Co	37,235.85	do	July 24, 1950	Compensation of loss on contract.
48541	Gregg Car Co., Ltd	72,200.00	Oct. 2. 1950	Oct. 19, 1950	Commandeering of shops and inventories in Philippines.
48616	Southern Pacific Terminal Co., Texas & New Orleans R. R. Co., and Hartford Fire Insurance Co.	40,000.00	do	Nov. 8, 1950	To recover costs of restoration of premises.
	Total	174,316.61			
	DEPARTMENT OF THE INTERIOR				
	INDIANS				
49450	Alice K. Carr	920.60	do	Oct. 5, 1950	Salary adjustment.
	CIVIL				
49437	Frederic Richmond	9,891.70	Nov. 7, 1950	Nov. 8, 1950	Back salary.
	Total	10,812.30			
	DEPARTMENT OF JUSTICE				
47884	Vernon S. Shafer	1,529.39	do	Nov. 20, 1950	Overtime pay, immigrant inspector.
	TREASURY DEPARTMENT				
48237	Willis R. House	1,078.16	Oct. 2, 1950	Oct. 16, 1950	Overtime pay, customs inspector.
46832	John L. Dibrell	5,787.60	Nov. 7, 1950	Nov. 22, 1950	Do.
48510	Donald Macnab	1,814.04	do	do	Do.
	Total	8,679.80			

[1] Plus interest in indefinite amount.

SCHEDULE B

Judgments rendered by the United States district courts against the United States—Treasury Department, Fiscal Service, Bureau of Accounts, Division of Bookkeeping and Warrants

Docket No. and court	Claimant	Amounts awarded in decree and interest as authorized		Date of judgment	Transmittal by Justice	Act and nature of claim
		Principal	Costs			
INDEPENDENT OFFICES						
GENERAL SERVICES ADMINISTRATION						
Civil 3331, Northern District of New York.	Samuel Scheinzeit, d/b/a Schenectady Dry Goods Co.	$864.00		Sept. 15, 1950	Oct. 4, 1950	Tucker Act. Contract for Navy jackets.
Civil 3332, Northern District of New York.	Edward Jacobs and Lillyan Jacobs, copartners, d/b/a Edward Jacobs & Co.	1,152.00		do	do	Do.
Civil 3334, Northern District of New York.	Louis Solomon	504.00		do	do	Do.
	Total	2,520.00				
VETERANS' ADMINISTRATION						
Civil 3503, Northern District of New York.	Mary Kilduff	2,500.00	$93.70	July 31, 1950	Sept. 14, 1950	Federal Tort Claims Act. Personal injuries.
Civil 1927, Northern District of Texas.	Gillam Soap Works	799.91		June 15, 1950	Oct. 20, 1950	Tucker Act. Contract for soap powder.
	Total	3,393.61				

Judgments rendered by the United States district courts against the United States—Treasury Department, Fiscal Service, Bureau of Accounts, Division of Bookkeeping and Warrants—Continued

Docket No. and court	Claimant	Amounts awarded in decree and interest as authorized		Date of judgment	Transmittal by Justice	Act and nature of claim
		Principal	Costs			
EXECUTIVE DEPARTMENTS						
DEPARTMENT OF DEFENSE						
DEPARTMENT OF THE ARMY						
Admiralty 25162-H, Northern District of California.	Gordon Williams	$750.00		Aug. 23, 1950	Sept. 8, 1950	Public Vessels Act. Personal injuries.
Admiralty 165-345, Southern District of New York.	Petterson Lighterage & Towing Corp., as owner of the barge *Penates*.	250.00		Aug. 31, 1950	Sept. 12, 1950	Public Vessels Act. Damage to vessel.
Admiralty 161-367, Southern District of New York.	Dwyer Lighterage, Inc., as owner and/or charterer in possession of the barge *R. C. Hoffman*.	436.66		Sept. 13, 1950	Sept. 27, 1950	Public Vessels Act. Damage to barge.
Admiralty 161-369, Southern District of New York.	Dwyer Lighterage, Inc., as charterer in possession of the barge *Bernie*.	396.66		do	do	Do.
Admiralty 161-368, Southern District of New York.	Dwyer Lighterage, Inc., as owner and/or charterer in possession of the barge *Chas. J. Crosby*.	300.00		do	do	Do.
Admiralty 19108, Eastern District of New York.	Jerry Granata	750.00		Sept. 11, 1950	Oct. 5, 1950	Public Vessels Act. Personal injuries.
Admiralty 150-349, Southern District of New York.	Thorlief Bolstad	1,000.00		Sept. 19, 1950	do	Do.
Civil 654, Middle District of Georgia	Bibb County	60,000.00		Oct. 5, 1950	Oct. 16, 1950	Tucker Act as amended. Damage to property.
Civil 923, Southern District of West Virginia.	Woodrow W. Risk, administrator of estate of Geo. A. Risk, deceased.	1.00	$32.00	Sept. 7, 1950	Oct. 30, 1950	Federal Tort Claims Act. Death of plaintiff's intestate.
Admiralty 165-346, Southern District of New York.	Olaf F. Hansen, as owner and/or charterer of the Barge *Freddie*.	385.50		Oct. 6, 1950	do	Public Vessels Act. Collision damage to barge.
Admiralty 17963, Eastern District of New York.	F. E. Grauwiller Transportation Co., Inc	2,400.00	30.75	Oct. 19, 1950	Nov. 8, 1950	Tucker Act. Collision damage to barge.
Civil 2852, District of Connecticut	Leonard T. Szamatulsky	1,539.03		Oct. 9, 1950	do	Federal Tort Claims Act. Personal injuries and property damage.
Civil 6303, Northern District of Ohio	Hazel C. Witchner, executrix of the estate of Robert W. Witchner, deceased, Lakeside, Ohio.	17,412.00	59.91	Sept. 28, 1950	do	Federal Tort Claims Act. Wrongful death of Robert W. Witchner.
	Total	85,743.51				

DEPARTMENT OF THE AIR FORCE						
Civil 441, Eastern District of Virginia	Martin L. Beasley and Ann Arleo Beasley	3,300.00	17.00	June 20, 1950	Sept. 8, 1950	Federal Tort Claims Act. Property damage.
	Total	3,317.00				
DEPARTMENT OF THE NAVY						
Civil 28823, Northern District of California.	James Graham Manufacturing Co., a corporation.	7,886.55		June 12, 1950	Sept. 26, 1950	Tucker Act. Payment due under contract.
Civil 212, Southern District of Georgia	Mrs. Annie M. Thiot	4,175.00		Oct. 19, 1950	Nov. 2, 1950	Federal Tort Claims Act. Damage to property.
Civil 2796, Canal Zone, Balboa Division.	Charles E. Slater III	500.00	12.05	Sept. 7, 1950	Nov. 8, 1950	Federal Tort Claims Act. Personal injuries.
Civil 4006, Northern District of Texas	Jefferson Bus Lines, Inc	828.09	47.25	Oct. 14, 1950	Nov. 21, 1950	Federal Tort Claims Act. Damage to bus.
	Total	13,448.94				
DEPARTMENT OF THE INTERIOR						
CIVIL						
Civil 1088, District of Montana	Ford Davis	3,000.00		May 29, 1950	June 29, 1950	Federal Tort Claims Act. Personal injuries (balance of judgment).
Civil 1095, District of Montana	Mabel L. Davis	1,500.00		do	do	Do.
	Total	4,500.00				
TREASURY DEPARTMENT						
Civil 5192, District of Oregon	Donald S. Morey	7,300.00	34.50	Aug. 9, 1950	Oct. 17, 1950	Federal Tort Claims Act. Personal injuries.
Civil 5197, District of Oregon	Francis L. Dubuisson	500.00	17.50	Aug. 30, 1950	do	Federal Tort Claims Act. Personal injuries and property damage.
Civil 1067, Western District of Michigan.	The Chesapeake & Ohio Ry. Co	23,726.23		Nov. 2, 1950	Nov. 16, 1950	Federal Tort Claims Act. Damages to railroad bridge.
	Total	31,578.23				

SCHEDULE C

Judgments rendered by the United States district courts against the United States—Treasury Department, Fiscal Service, Bureau of Accounts, Division of Bookkeeping and Warrants—Payable out of postal revenues

Docket No. and court	Claimant	Amounts awarded in decree and interest as authorized		Date of judgment	Transmittal by Justice	Act and nature of claim
		Principal	Costs			
POST OFFICE DEPARTMENT						
(Payable out of postal revenues)						
Civil 1778, District of Utah	Nellie E. Savage	$14,032.80	$205.72	July 25, 1950	Sept. 7, 1950	Federal Tort Claims Act. Personal injuries.
Civil 206, Southern District of Georgia	Mrs. Irene Kenner and W. E. Kenner	9,000.00	44.35	July 27, 1950	Sept. 25, 1950	Do.
	Total	23,282.87				

TREASURY DEPARTMENT,
Washington 25, November 24, 1950.

The DIRECTOR, BUREAU OF THE BUDGET,
Washington 25, D. C.

SIR: An appropriation will be required for the payment of two judgments presented to this Department, which have been rendered by the Indian Claims Commission, in the aggregate amount of $3,489,843.58, as set forth on schedule D, attached hereto. This amount may be established in an appropriation under the Treasury Department.

Very truly yours,

GEO. H. JONES,
Acting Budget Officer, Treasury.

SCHEDULE D

Judgments rendered by the Indian Claims Commission against the United States—Treasury Department, Fiscal Service, Bureau of Accounts, Division of Bookkeeping and Warrants

Docket No.	Claimant	Amount	Date of judgment	Presented to Treasury	Nature of claim
	INDIAN CLAIMS COMMISSION				
16	The Choctaw Nation	$2,587,835.47	July 14, 1950	Nov. 15, 1950	To recover just compensation.
23	The Chickasaw Nation	902,008.11	do	do	Do.
		3,489,843.58			

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81st Congress, 2d Session } HOUSE OF REPRESENTATIVES { Document No. 730

PROPOSED SUPPLEMENTAL APPROPRIATIONS FOR THE ALASKA COMMUNICATION SYSTEM

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

PROPOSED SUPPLEMENTAL APPROPRIATIONS FOR THE FISCAL YEAR 1951, IN THE AMOUNT OF $934,000, FOR THE ALASKA COMMUNICATION SYSTEM

DECEMBER 5, 1950.—Referred to the Committee on Appropriations and ordered to be printed

THE WHITE HOUSE,
Washington, December 5, 1950.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of the Congress proposed supplemental appropriations for the fiscal year 1951, in the amount of $934,000, for the Alaska communication system.

The details of these proposed appropriations, the necessity therefor, and the reasons for their submisssion at this time are set forth in the attached letter of the Director of the Bureau of the Budget, with whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., December 5, 1950.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration proposed supplemental appropriations for the fiscal year 1951, in the amount of $934,000, for the Alaska Communication System, as follows:

DEPARTMENT OF DEFENSE

CIVIL FUNCTIONS—DEPARTMENT OF THE ARMY

SIGNAL CORPS

ALASKA COMMUNICATION SYSTEM

For an additional amount, fiscal year 1951, for "Operation, maintenance, and improvement", and so forth, $470,000, to remain available until June 30, 1952.

The foregoing proposed appropriation is necessary to meet communication requirements caused by the Korean situation and expanding military activity in Alaska.

For an additional amount, fiscal year 1951, for "Construction, installation, and equipment of temporary or permanent public works", and so forth, *including not to exceed $381,024 for family quarters at the Sheep Mountain, Gulkana, Johnson River, and Harding Lake repeater stations*, $464,000, to remain available until expended.

This proposed appropriation is necessary to provide quarters and security fences at isolated sites for military personnel who will operate new communication facilities now being constructed.

I recommend that the foregoing proposed supplemental appropriations be transmitted to the Congress.

Respectfully yours,

F. J. LAWTON,
Director of the Bureau of the Budget.

H. Doc. 730

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82D CONGRESS } HOUSE OF REPRESENTATIVES { DOCUMENT
2d Session } { No. 731

PROPOSED SUPPLEMENTAL APPROPRIATIONS FOR THE NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

PROPOSED SUPPLEMENTAL APPROPRIATIONS FOR THE FISCAL YEAR 1951, IN THE AMOUNT OF $5,068,000, FOR THE NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

DECEMBER 5, 1950.—Referred to the Committee on Appropriations and ordered to be printed

THE WHITE HOUSE,
Washington, December 5, 1950.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of the Congress proposed supplemental appropriations for the fiscal year 1951, in the amount of $5,068,000, for the National Advisory Committee for Aeronautics.

The details of the proposed appropriations, the necessity therefor, and the reasons for their submission at this time are set forth in the attached letter of the Director of the Bureau of the Budget, with whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., December 5, 1950.

THE PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration proposed supplemental appropriations for the fiscal year 1951, in the amount of $5,068,000, for the National Advisory Committee for Aeronautics, as follows:

INDEPENDENT OFFICES

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $3,250,000; *and the limitation imposed by section 103 of the Independent Offices Appropriation Act, 1951, on the amount available for travel expenses under this head, is increased from "$260,000" to "$300,000".*

CONSTRUCTION AND EQUIPMENT

For an additional amount for "Construction and equipment", $1,818,000, to remain available until June 30, 1952.

The above proposed supplemental appropriations are necessary to permit the National Advisory Committee for Aeronautics to accelerate research in aeronautics in support of the expanded military programs in the present emergency. The additional amount for "Salaries and expenses" will provide for additional personnel, supplies, equipment, and other items of operating expenses to enable the Committee to make more intensive use of its research facilities for research on military aircraft, engine and guided missiles projects. The additional amount for "Construction and equipment" will provide for some urgently required modifications to one of the Committee's wind tunnels.

The research of the National Advisory Committee for Aeronautics is an essential part of the military research and development program for which additional funds are included in the supplemental estimates submitted for the Department of Defense. The necessity for the submission of proposed supplemental appropriations for the National Advisory Committee for Aeronautics at this time is based on the same considerations as in the case of the proposed supplemental appropriations for the Department of Defense.

I recommend that the foregoing proposed supplemental appropriations be transmitted to the Congress.

Respectfully yours,

F. J. LAWTON,
Director of the Bureau of the Budget.

H. Doc. 731

81st Congress, 2d Session } HOUSE OF REPRESENTATIVES { Document No. 732

PROPOSED SUPPLEMENTAL APPROPRIATION FOR THE DISTRICT OF COLUMBIA

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A PROPOSED SUPPLEMENTAL APPROPRIATION FOR THE FISCAL YEAR 1951, IN THE AMOUNT OF $337,500, FOR THE DISTRICT OF COLUMBIA

DECEMBER 6, 1950.—Referred to the Committee on Appropriations and ordered to be printed

THE WHITE HOUSE,
Washington, December 6, 1950.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of the Congress a proposed supplemental appropriation for the fiscal year 1951, in the amount of $337,500, for the District of Columbia.

The details of this proposed appropriation, the necessity therefor, and the reasons for its submission at this time are set forth in the attached letter from the Director of the Bureau of the Budget, with whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., December 5, 1950.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration a proposed supplemental appropriation for the fiscal year 1951, in the amount of $337,500, for the District of Columbia, as follows:

DISTRICT OF COLUMBIA

(Out of revenues of the District of Columbia)

OFFICE OF CIVIL DEFENSE

For an additional amount, fiscal year 1951, for "Office of Civil Defense", $337,500; *and appropriations granted under this head for the fiscal year 1951 shall be available for personal services without reference to the civil-service and classification laws.*

DIVISION OF EXPENSES

The sums appropriated in this Act for the District of Columbia shall, unless otherwise specifically provided, be paid out of the general fund of the District of Columbia, as defined in the District of Columbia Appropriation Act of 1951.

Inasmuch as the estimated revenues of the District of Columbia for the fiscal year 1951 appear to be sufficient to provide for the expenditures proposed, this proposed supplemental appropriation is transmitted for the consideration of Congress without comment.

Respectfully yours,

F. J. LAWTON,
Director of the Bureau of the Budget.

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81st Congress, 2d Session } HOUSE OF REPRESENTATIVES { Document No. 733

PROPOSED SUPPLEMENTAL APPROPRIATIONS FOR THE TREASURY DEPARTMENT

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

PROPOSED SUPPLEMENTAL APPROPRIATIONS FOR THE FISCAL YEAR 1951, IN THE AMOUNT OF $861,000, FOR THE TREASURY DEPARTMENT

DECEMBER 8, 1950.—Referred to the Committee on Appropriations and ordered to be printed

THE WHITE HOUSE,
Washington, December 7, 1950.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of the Congress proposed supplemental appropriations for the fiscal year 1951, in the amount of $861,000, for the Treasury Department.

The details of these proposed appropriations, the necessity therefor, and the reasons for their submission at this time are set forth in the attached letter from the Director of the Bureau of the Budget, with whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., December 7, 1950.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration proposed supplemental appropriations for the fiscal year 1951, in the amount of $861,000, for the Treasury Department, as follows:

TREASURY DEPARTMENT

Bureau of Accounts

SALARIES AND EXPENSES, DIVISION OF DISBURSEMENT

For an additional amount for "Salaries and expenses, Division of Disbursement", $380,000.

This amount is necessary to permit the Division of Disbursement to meet the increased check load caused primarily by the Social Security Act Amendments of 1950 (Public Law 734) increasing the number of beneficiaries, and the payment of national service life insurance dividends to veterans.

Bureau of Customs

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $350,000, *and the limitation under this head in the Treasury Department Appropriation Act, 1951, on personal services in the District of Columbia is increased from "$1,070,000" to "$1,080,200".*

This amount is necessary to provide additional employees required by the Bureau of Customs. An unprecedented increase in the volume of imports has overburdened present staff to such an extent that serious backlogs are developing in the appraisers' stores and in other important areas. Inspection and entry activities, where backlogs cannot be tolerated, are not being conducted thoroughly enough to insure adequate protection of the revenue, or the enforcement of the various customs laws and regulations.

Secret Service Division

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", Secret Service Division, $82,000; *and the limitations under this head in the Treasury Department Appropriation Act, 1951, on the purchase of passenger motor vehicles is increased from "fifteen" to "nineteen": Provided, That appropriations granted under this head for the fiscal year 1951 shall also be available for the protection of the Vice President.*

SALARIES AND EXPENSES, WHITE HOUSE POLICE

For an additional amount for "Salaries and expenses, White House Police", $49,000; *and appropriations granted under this head for the fiscal year 1951 shall be available for employment of additional personnel without regard to the limitation contained in section 2 of the Act of August 15, 1950 (Public Law 693).*

These estimates are required to enable the Secret Service Division to employ additional agents and White House policemen.

I recommend that the foregoing proposed supplemental appropriations be transmitted to the Congress.

Respectfully yours,

F. J. Lawton,
Director of the Bureau of the Budget.

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81st Congress, 2d Session } HOUSE OF REPRESENTATIVES { Document No. 735

PROPOSED SUPPLEMENTAL APPROPRIATION FOR THE SELECTIVE SERVICE SYSTEM

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A PROPOSED SUPPLEMENTAL APPROPRIATION FOR THE FISCAL YEAR 1951 IN THE AMOUNT OF $11,000,000 FOR THE SELECTIVE SERVICE SYSTEM

DECEMBER 11, 1950.—Referred to the Committee on Appropriations and ordered to be printed

THE WHITE HOUSE,
Washington, December 8, 1950.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of the Congress a proposed supplemental appropriation for the fiscal year 1951, in the amount of $11,000,000, for the Selective Service System.

The details of this proposed appropriation, the necessity therefor, and the reasons for its submission at this time are set forth in the attached letter of the Director of the Bureau of the Budget, with whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., December 7, 1950.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration a proposed supplemental appropriation for the fiscal year 1951, in the amount of $11,000,000, for the Selective Service System, as follows:

INDEPENDENT OFFICES

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", Selective Service System, $11,000,000; *and appropriations granted under this head for the fiscal year 1951 shall be available for the purchase of sixteen passenger motor vehicles of which one shall be for replacement: Provided, That both of the limitations under this head in the Supplemental Appropriation Act, 1951, on the amounts available for travel expenses are hereby repealed.*

Additional funds are requested for the Selective Service System to process and deliver for induction a greater number of men than originally estimated for the fiscal year 1951 and to meet the expenses of advisory committees necessary to the administration of Public Law 779, approved September 9, 1950, authorizing the drafting of medical, dental, and allied specialists.

Funds are included in this estimate to enable the Selective Service System to meet the calls already placed by the Army for the induction of men through February and to meet calls for the remaining months of the year if projected at the February rate.

I recommend that the foregoing proposed supplemental appropriation be transmitted to the Congress.

Respectfully yours,

F. J. LAWTON,
Director of the Bureau of the Budget.

81st Congress, 2d Session — HOUSE OF REPRESENTATIVES — Report No. 3193

SECOND SUPPLEMENTAL APPROPRIATION BILL, 1951

DECEMBER 15, 1950.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. KERR, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 9920]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations to supply certain supplemental and deficiency appropriations for the fiscal year ending June 30, 1951, and for other purposes.

The estimates upon which the bill is based are contained in House Document Nos. 724, 726, 727, 729, 730, 731, 732, 733, and 735.

As in the case of the last supplemental bill, the bill is divided into chapters along the lines of the general bill for 1951. A similar procedure has been followed in committee consideration; the recommendations contained in the bill are the result of deliberations of the several subcommittees as approved by the Committee as a Whole.

The chapters and chairmen of subcommittees having jurisdiction thereof are as follows:

Chapter		Report page No.	Bill page No.
----------	District of Columbia, Hon. Joe B. Bates----------	2	--------
I.	Legislative branch, Hon. Christopher C. McGrath-	2	2
II.	State, Justice, Commerce, and the Judiciary, Hon. John J. Rooney----------	4	2
III.	Treasury-Post Office, Hon. J. Vaughan Gary-----	8	5
IV.	Labor-Federal Security, Hon. John E. Fogarty---	11	7
V.	Interior Department, Hon. Michael J. Kirwan---	13	9
VI.	Independent offices, Hon. Albert Thomas--------	15	9
VII.	Defense Establishment, Hon. George H. Mahon---	19	11
	Foreign aid, Hon. John H. Kerr----------	47	
VIII.	Judgments and claims, Hon. John H. Kerr------	--------	27
IX.	General provisions, Hon. Louis C. Rabaut-------	--------	28

Summary of Bill by Chapters

Budget estimates considered by the committee total $18,081,046,034. Appropriations recommended in the bill total $18,033,304,424, a reduction of $47,741,610. These amounts are distributed by chapters of the bill in the following table:

Comparison of budget estimates and the amounts recommended to be appropriated in the bill

Chapter	Subcommittee	Budget estimate	Amount recommended	Increase (+) or decrease (−)
----	District of Columbia	*$337,500*	----	*−$337,500*
I	Legislative branch	----	$12,500	+12,500
II	State, Justice, Commerce, and Judiciary	10,237,000	9,725,000	−512,000
III	Treasury-Post Office	27,361,000	27,156,000	−205,000
IV	Labor-Federal Security	175,000	175,000	----
V	Interior	3,300,000	3,300,000	----
VI	Independent Offices	1,151,518,000	1,142,480,890	−9,037,110
VII	Defense Establishment	16,845,181,000	16,845,181,000	----
VIII	Foreign aid	38,000,000	(1)	−38,000,000
IX	Claims and judgments	5,274,034	5,274,034	----
	Total	18,081,046,034	18,033,304,424	−47,741,610

[1] Transfer of funds out of current appropriations for foreign aid authorized.

DISTRICT OF COLUMBIA

SUBCOMMITTEE

JOE B. BATES, Kentucky, *Chairman*

SIDNEY R. YATES, Illinois
FOSTER FURCOLO, Massachusetts
LOWELL STOCKMAN, Oregon
EARL WILSON, Indiana

Civil defense.—The committee recommends that the budget estimate of $337,500 for civil defense planning be disallowed. The committee is most desirous of appropriating money at the earliest possible moment for the implementation of a civil defense plan for the District, but testimony discloses that a sound plan is not available. Rather there exists an uncoordinated group of ideas some of which were evolved into a budget estimate and submitted to the committee as part of a civil defense plan. This is no reflection on the present acting Director of Civil Defense, but stems from the fact that the Commissioners have not seen fit to delegate the necessary authority to a Director to formulate a sound plan. Enactment of Federal civil defense legislation, such as that now pending, will have a great deal of influence on civil defense expenditures by the District government. It is recommended that the budgetary request for the District be withheld until such legislation has been enacted by Congress or some other prudent plan formulated and then submitted in line with this over-all civil defense program.

Comparative statement of amount of the budget estimate and of the amount recommended to be appropriated by this bill

DISTRICT OF COLUMBIA (OUT OF DISTRICT REVENUES NOT INCLUDED IN TABULATION OF TOTALS)

H. Doc. No.	Department or agency	Estimate	Recommended in bill	Bill compared with estimate
732	Office of Civil Defense	*$337,500*		*—$337,500*
	Total, District of Columbia	*$337,500*		*—$337,500*

CHAPTER II

SUBCOMMITTEE

JOHN J. ROONEY, New York, *Chairman*

DANIEL J. FLOOD, Pennsylvania
PRINCE H. PRESTON, Georgia
KARL STEFAN, Nebraska
CLIFF CLEVENGER, Ohio

Department of Justice

LEGAL ACTIVITIES AND GENERAL ADMINISTRATION

Salaries and expenses, general legal activities.—The bill contains $400,000 for this item, a reduction of $30,000 in the budget estimate. The amount recommended is specifically for the Criminal Division and is to provide that Division with additional funds for the administration and enforcement of the Internal Security Act of 1950, for the period from February 1 through June 30, 1951.

IMMIGRATION AND NATURALIZATION SERVICE

Salaries and expenses.—The sum of $3,000,000, a reduction of $250,000 in the budget estimate, is approved for this purpose. The amount recommended is to provide for an accelerated program of apprehension, detention and deportation of aliens as required by the provisions of the Internal Security Act of 1950, which was enacted subsequent to the passage of the regular 1951 appropriation bill. This appropriation will also provide for the expenses of registration of an estimated 4,000,000 resident aliens, as required by that act.

Department of Commerce

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

Export control.—The bill includes $925,000 for this item, the full amount of the budget estimate. This sum is recommended to provide additional funds to permit the Department of Commerce to meet the increasing license workload and related enforcement measures resulting from national defense requirements.

BUREAU OF PUBLIC ROADS

Inter-American Highway.—The budget estimate of $4,000,000 is approved for necessary expenses of continuing the survey and construction of the Inter-American Highway in cooperation with the Republics of Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama. The amount recommended in the bill is the amount authorized to be appropriated in fiscal year 1951 under section

11 of the Federal Aid Highway Act of 1950. It was testificd that special emphasis will be placed on opening up sections of the highway that are now impassable. It is important that funds be made available immediately so that work can proceed during the present dry season which ends in May.

NATIONAL BUREAU OF STANDARDS

Construction of laboratories.—In the General Appropriation Act, 1951, $1,900,000 in cash and contract authority, the full amount requested by the Budget, was provided for the construction of a new building to be used for a guided-missiles laboratory. The Department of Commerce subsequently proposed that a hospital installation of over 2,000 beds at Corona, Calif., declared to be excess to the needs of the Department of the Navy and in which the United States Government had a capital investment at the close of fiscal year 1949 of $13,939,468, should be taken over as a guided-missiles laboratory in lieu of the erection of the new building already provided for. Such a proposal was discussed on the floor of the House on September 20, 1950, when the conference report on the supplemental appropriation bill, 1951, was acted upon. A motion to accept that proposal was defeated on a division by a vote of 7 ayes to 84 noes.

In the course of the hearings on the instant bill the committee was presented with a request contained in House Document No. 724, dated November 29, 1950, for $1,632,000 in cash in lieu of the contract authority of $1,760,000 previously granted for the new building, as well as authority to provide for the transfer from the Department of the Navy to the Department of Commerce of so much of the former United States Naval Hospital, Corona, Calif., as might be determined to be suitable for use as a guided-missile laboratory and for other activities of the National Bureau of Standards.

The committee seriously questioned the advisability of the conversion of this huge hospital which is located on a 715-acre tract and thoroughly discussed with the National Bureau of Standards and Navy officials the possibility of future needs for the property as a military hospital, as well as the financial aspects of the proposal. A great deal of emphasis was placed on the fact that more time would be saved by taking over existing hospital buildings than by construction of a new building. Navy representatives testified that the need for getting the Bureau of Standards laboratory into Corona outweighed the immediate need for hospital beds. The committee has long recognized the urgency of the guided-missiles program and has cooperated in it to the fullest extent possible. It, therefore, recommends $1,400,000 additional in cash and an authorization to the General Services Administrator to provide for use by the Department of Commerce, without reimbursement, of not to exceed 100,000 square feet of floor space to be designated by the Secretary of the Navy, of the former naval hospital at Corona. This will permit the National Bureau of Standards to immediately set up and embark on its guided-missiles program and at the same time reserve the use of the remainder of the space for hospital purposes should such use be required in the present emergency.

In view of the fact that the proposal to convert this military hospital into a laboratory for the National Bureau of Standards was overwhelmingly defeated in the House approximately 3 months ago and since the full amount of cash and contract authority requested to construct a new laboratory building for the exact purpose of guided-missiles development had been made available by the Congress even prior to that time, the committee feels that some other action should have been taken immediately by the National Bureau of Standards. To allow 3 months of valuable time at this period of emergency to elapse without such action seems to be a deliberate attempt to enforce the will of the agency upon the Congress. Such action is inexcusable.

Comparative statement of amounts of the budget estimates and of the amounts recommended to be appropriated by this bill

H. Doc. No.	Department or agency	Estimates	Recommended in bill	Bill compared with estimates
	DEPARTMENT OF JUSTICE			
724	Legal activities and general administration: Salaries and expenses, general legal activities	$430,000	$400,000	—$30,000
724	Immigration and naturalization service: Salaries and expenses	3,250,000	3,000,000	—250,000
	Total, Department of Justice	3,680,000	3,400,000	—280,000
	DEPARTMENT OF COMMERCE			
724	Bureau of Foreign and Domestic Commerce: Export control	925,000	925,000	
724	Bureau of Public Roads: Inter-American Highway	4,000,000	4,000,000	
724	National Bureau of Standards: Construction of laboratories	1,632,000	1,400,000	—232,000
	Total, Department of Commerce	6,557,000	6,325,000	—232,000
	Total, Justice, Commerce (Chapter II)	10,237,000	9,725,000	—512,000

CHAPTER III

SUBCOMMITTEE

J. VAUGHAN GARY, Virginia, *Chairman*

ANTONIO M. FERNANDEZ, New Mexico
OTTO E. PASSMAN, Louisiana
GORDON CANFIELD, New Jersey
FREDERIC R. COUDERT, JR., New York

TREASURY DEPARTMENT

BUREAU OF ACCOUNTS

Salaries and expenses, Division of Disbursement.—A request was made for an additional appropriation of $380,000, against which the committee recommends approval of $300,000. This, together with the $10,750,000 provided in the regular 1951 bill, will provide a total appropriation for the year of $11,050,000.

This additional appropriation is made necessary on account of an increased workload which was not known at the time the original 1951 budget was prepared. It is due to the necessity of issuing additional checks under the expanded social-security program and also is needed to start payments of another dividend on national service life insurance in the lattter half of the current fiscal year.

BUREAU OF CUSTOMS

Salaries and expenses.—A request was made for an additional appropriation of $350,000, but the committee recommends approval of $225,000. The sum of $36,600,000 has already been appropriated for fiscal year 1951, in addition to which the Bureau receives reimbursements for services performed in sufficient amount to make available a total of approximately $42,500,000. However, the committee did feel that some relief should be granted to permit the Bureau to make greater progress in handling the increased volume of business at ports of entry.

The committee has denied the request of the Bureau to increase its departmental force in the District of Columbia.

SECRET SERVICE DIVISION

The committee recommends approval of the estimates for this Division, totaling $131,000, the purposes of which are to enable the Secret Service to provide greater protection to the President, and also to provide protection for the Vice President.

The recent attempt on the life of the President and other matters brought to the attention of the committee, amply justify appropriation of this additional amount.

UNITED STATES COAST GUARD

The committee recommends approval of budget estimates for the Coast Guard totaling $26,500,000. Of this amount, $3,900,000 is required to pay additional benefits to dependents in accordance with the Dependents Assistance Act approved September 8, 1950 (Public Law 771). The remaining $22,600,000 is to meet the cost of new duties imposed on the Coast Guard in connection with the port security program authorized by the act of August 9, 1950 (Public Law 679). Of the latter amount, $14,700,000 is for operating expenses and $7,900,000 is for acquisition, construction and improvement.

Each of the above-named laws was passed after the submission of the regular 1951 budget.

Comparative statement of amounts of the budget estimates and of the amounts recommended to be appropriated by this bill

H. Doc. No.	Department or agency	Estimates	Recommended in bill	Bill compared with estimates
	TREASURY DEPARTMENT			
733	Division of Disbursement: Salaries and expenses	$380,000	$300,000	—$80,000
733	Bureau of Customs: Salaries and expenses	350,000	225,000	—125,000
733	Secret Service Division:			
733	Salaries and expenses	82,000	82,000	
733	Salaries and expenses, White House Police	49,000	49,000	
	Total, Secret Service Division	131,000	131,000	
724	U. S. Coast Guard:			
	Operating expenses	18,600,000	18,600,000	
	Acquisition, construction, and improvement	7,900,000	7,900,000	
	Total, U. S. Coast Guard	26,500,000	26,500,000	
	Total, Treasury Department (Chapter III)	27,361,000	27,156,000	—205,000

CHAPTER IV

SUBCOMMITTEE

JOHN E. FOGARTY, Rhode Island, *Chairman*

E. H. HEDRICK, West Virginia
CHRISTOPHER C. McGRATH, New York
FRANK B. KEEFE, Wisconsin
ERRETT P. SCRIVNER, Kansas
H. CARL ANDERSEN, Minnesota [1]

[1] Temporarily assigned.

Federal Security Agency

BUREAU OF OLD-AGE AND SURVIVORS INSURANCE

Salaries and expenses.—The committee recommends approval of an additional $3,000,000 administrative expense allocation from the old-age trust fund, a reduction of $300,000 from the supplemental budget estimate. This amount, together with the $8,000,000 granted in the last supplemental bill for 1951, provides a total additional of $11,000,000 for handling increased workloads arising out of the 1949 amendments to the old-age insurance provisions of the Social Security Act, as against the original budget estimate of $17,500,000 for that purpose submitted August 28, 1950. There has been time since this subject was last considered to further evaluate needs in light of actual workload experience under the amendments which took effect September 1, and it is believed that with the additional funds here recommended the Bureau will be able to handle the situation as planned.

National Mediation Board

Arbitration and emergency boards.—The bill includes the $175,000 additional requested for expenses of these boards, to be added to the regular item of $150,000 for 1951. In any given period it is not possible to estimate accurately what the total expense outlay for these boards will be. Emergency boards, which account for the bulk of the expense, are established by the President as required to investigate disputes threatening interruption of essential transportation, and the number and character of such disputes obviously is not susceptible of accurate advance calculation. Expenses thus far in 1951 and those expected on the basis of present information, show that the present fund will soon be exhausted.

Comparative statement of amounts of the budget estimates and of the amounts recommended to be appropriated by this bill

H. Doc. No.	Department or agency	Estimates	Recommended in bill	Bill compared with estimates
	DEPARTMENT OF LABOR			
	BUREAU OF EMPLOYMENT SECURITY			
724	Grants to States for unemployment compensation and employment service administration	(1)	(2)	
	FEDERAL SECURITY AGENCY			
	OFFICE OF EDUCATION			
724	Promotion and further development of vocational education	(1)	(2)	
	SOCIAL SECURITY ADMINISTRATION			
724	Salaries and expenses, Bureau of Old-Age and Survivors Insurance (out of trust funds)	($3, 300, 000)	($3, 000, 000)	(—$300, 000)
	NATIONAL MEDIATION BOARD			
724	Arbitration and emergency boards	175, 000	175, 000	
	Total, Labor-Federal Security (Chapter IV)	175, 000	175, 000	

[1] Language provisions.
[2] Budget language provisions approved.

CHAPTER V

SUBCOMMITTEE

MICHAEL J. KIRWAN, Ohio, *Chairman*

W. F. NORRELL, Arkansas
HENRY M. JACKSON, Washington
BEN F. JENSEN, Iowa
IVOR D. FENTON, Pennsylvania

Department of the Interior

Two estimates have been submitted and approved for constructing electric transmission facilities urgently required for national defense purposes.

SOUTHEASTERN POWER ADMINISTRATION

Construction.—An appropriation of $1,850,000 is recommended for initiating construction of transmission facilities from Buggs Island Dam to Langley Field, Va. These facilities must be started at once in order to assure an adequate supply of electric power and energy at reasonable cost to the National Advisory Committee for Aeronautics for supersonic and other highly important aerodynamic research at Langley Field, where no other adequate source of electric power is obtainable. In order that the national unitary plan of aviation development already approved and appropriated for by the Congress can be prosecuted without any delay, construction of these facilities must begin immediately.

BONNEVILLE POWER ADMINISTRATION

Construction.—An additional sum of $1,450,000 is recommended to expedite construction of transmission line No. 5 and appurtenant facilities from Grand Coulee Dam to Spokane, Wash., to make power available for defense requirements.

Comparative statement of amounts of the budget estimates and of the amounts recommended to be appropriated by this bill

H. Doc. No.	Department or agency	Estimates	Recommended in bill	Bill compared with estimates
	DEPARTMENT OF THE INTERIOR			
724	Southeastern Power Administration: Construction	$1, 850, 000	$1, 850, 000	
724	Bonneville Power Administration: Construction	1, 450, 000	1, 450, 000	
	Total, Department of the Interior (Chapter V)	3, 300, 000	3, 300, 000	

CHAPTER VI

SUBCOMMITTEE

ALBERT THOMAS, Texas, *Chairman*

ALBERT GORE, Tennessee
GEORGE W. ANDREWS, Alabama
FRANCIS CASE, South Dakota
JOHN PHILLIPS, California

Independent Offices

ATOMIC ENERGY COMMISSION

The committee had under consideration an estimate of $1,050,000,000 for this agency, required primarily for the construction of additional production facilities to meet the increased needs of the atomic energy program. Additional funds are also required for production and research work in connection with the weapons program. The committee has allowed a total of $840,000,000 for these purposes, a reduction of $210,000,000 below the budget request.

In effecting the reduction of $210,000,000 the committee has taken into consideration the facts that sites have not yet been acquired for most of the proposed facilities, that estimates for construction have been prepared without reaching the blueprint stage, and that the Commission admitted during the hearings that estimates could vary as much as 25 to 33⅓ percent. Under these circumstances the committee believes that the reduction can be made without hampering or slowing down this important program and that additional funds can be provided when more accurate estimates are available and the need therefor demonstrated.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

Salaries and expenses.—The committee has not allowed the budget estimate of $3,250,000 for salaries and expenses, consisting of $600,000 for six hundred additional positions and $2,650,000 for supplies, equipment and other materials. In this connection it should be pointed out that employment by this agency was 1,127 in the fiscal year 1941, and 7,161 in the fiscal year 1951. The proposed increase would, if allowed, give this agency funds approximately equal to the amount requested in the regular 1951 estimates, a portion of which has been denied by the Congress. While the committee realizes the importance of this activity it believes that funds presently available are adequate to carry on NACA work at a rate sufficient to meet present requirements.

Construction and equipment.—The bill includes the budget estimate of $1,818,000 for modernization of the altitude wind tunnel at the Lewis Flight Propulsion Laboratory. The committee is advised that this improvement will increase by 75 percent the present capacity of the tunnel and will increase the altitudes at which tests can be made with some of the larger present-day jet engines.

OFFICE OF THE HOUSING EXPEDITER

Salaries and expenses.—The committee recommends $1,200,000, the budget request, to provide sufficient funds for the extension of rent control until March 31, 1951. This action is in accord with the recent passage of legislation extending control authority for an additional 3 months beyond January 1.

SELECTIVE SERVICE SYSTEM

The bill contains an additional sum of $10,787,890 for the Selective Service System, a reduction of $212,110 in the budget estimate. This sum, together with prior appropriations, provides a total of $36,217,890 for this activity for the current fiscal year. The reduction of $212,110 in the pending estimate consists of an over-all cut of $60,110 for equipment and $152,000 for expenses of travel of personnel and members of special boards. Funds for expenses of travel in attendance at conferences by members and personnel of special boards are specifically denied. The additional funds recommended are essential to enable this agency to deliver for induction a greater number of men than was estimated would be required when the original estimate for the fiscal year was presented. These funds are also required to meet the expenses of advisory committees in the administration of Public Law 779, which deals with the registration, classification and induction of medical, dental, and allied specialists.

SUBVERSIVE ACTIVITIES CONTROL BOARD

Title I of the Internal Security Act of 1950, Public Law 831, authorizes the establishment of the Subversive Activities Control Board and sets forth its duties and functions. The Board presently consists of 20 employees and is operating with a $60,000 allocation from the President's emergency fund. The committee had before it a supplemental estimate of $250,000 for expenses of the Board during the remainder of the fiscal year 1951. The amount recommended by the committee, $175,000, will provide a total of $235,000 for the year. The committee is aware of the important work which is to be performed by the Board and wishes to provide funds essential to its efficient operation. However, the Board was appointed at a very recent date and will not undertake its major function, that of conducting hearings, until about the 1st of March. The Board has agreed to a reduction of $22,000 in the items for printing and other contractual services. The committee believes a further proportionate reduction in proposed personnel and other expenses is justified.

TENNESSEE VALLEY AUTHORITY

The bill includes $64,500,000 for this agency, a reduction of $19,500,000 in the budget estimate of $84,000,000. The amount recommended will provide $22,500,000 to initiate additional power generating facilities to meet general power demands in the area and $42,000,000 is provided for power generation and transmission facilities for use in the advancement of the atomic energy program. The reduction of $2,500,000 in the portion of the program relating to

power demands in the area is based on testimony to the effect that funds requested in the estimate allowed for an anticipated cost increase of between 7 and 10 percent. The reduction of $17,000,000 in the estimate of $59,000,000 for the AEC part of the program is due to information received following hearings on the item to the effect that about 50 percent of the power originally to be provided from this program would be provided from private power sources. This change in the program permits the reduction of $17,000,000 which is concurred in by the Bureau of the Budget and the Tennessee Valley Authority.

MARITIME ACTIVITIES

Ship construction.—The committee had under consideration a proposal of the Budget to divert a total of approximately $126,000,000 of funds and contract authorization heretofore provided for ship construction for the fiscal years 1950 and 1951 for use in the construction of additional dry-cargo vessels of a faster speed and more modern design to meet present day needs in connection eith national defense. While the committee has approved this part of the program, which would provide about 16 dry-cargo ships, it is believed this number is totally inadequate to meet the essential requirements of this part of the defense program. It is believed that at least 50 such ships should be started without delay. For this reason the committee has included in the bill additional funds ($224,000,000) which will permit the program to be carried out.

These ships should be started in from at least 6 to 10 shipyards and should be scattered throughout the United States in order that labor may be trained and yards reactivated, and for the further reason that the testimony shows it will take from 11 to 14 months to build them. It should be noted that in the bill the spending of these funds for 50 ships is left entirely to the discretion of the President of the United States. It was also testified that we may need several hundred of these faster cargo ships. They will save time, manpower, and will expedite the delivery of vital supplies to our troops.

Comparative statement of amounts of the budget estimates and of the amounts recommended to be appropriated by this bill

H. Doc. No.	Department or agency	Estimates	Recommended in bill	Bill compared with estimates
	INDEPENDENT OFFICES			
727	Atomic Energy Commission	$1, 050, 000, 000	$840, 000, 000	−$210, 000, 000
724	Maritime Administration (Department of Commerce) ship construction	(1)	224, 000, 000	+224, 000, 000
	National Advisory Committee for Aeronautics:			
731	Salaries and expenses	3, 250, 000		−3, 250, 000
731	Construction and equipment	1, 818, 000	1, 818, 000	
724	Office of the Housing Expediter	1, 200, 000	1, 200, 000	
735	Selective Service System	11, 000, 000	10, 787, 890	−212, 110
724	Subversive Activities Control Board	250, 000	175, 000	−75, 000
727	Tennessee Valley Authority	84, 000, 000	64, 500, 000	−19, 500, 000
	Total, Independent offices (Chapter VI)	1, 151, 518, 000	1, 142, 480, 890	−9, 037, 110

[1] Prior appropriations and contract authorizations made available for cargo-ship construction.

CHAPTER VII

SPECIAL SUBCOMMITTEE

GEORGE H. MAHON, Texas, *Chairman*

HARRY R. SHEPPARD, California
ROBERT L. F. SIKES, Florida
W. F. NORRELL, Arkansas
LOUIS C. RABAUT, Michigan
JOHN TABER, New York
RICHARD B. WIGGLESWORTH, Massachusetts
ERRETT P. SCRIVNER, Kansas

Department of Defense

There has been considered by the committee in connection with Chapter VII of the present bill House Document 726, which is the Message from the President of the United States transmitting recommendations for additional appropriations for the Department of Defense for the fiscal year 1951 in the amount of 16.8 billion dollars, and the estimates contained in House Documents 727 and 730 containing a breakdown appropriationwise of the funds requested.

PRESIDENT'S MESSAGE

In House Document 726 the President transmitted his recommendations for additional appropriations for the Department of Defense. Throughout this message there was repeated emphasis placed on the need for the utmost speed in making these funds available. This was based on the fact that recent developments have overtaken the estimates for funds and there are already indications of need for more funds. This is probably best expressed by the President's own words:

> "When the communists of North Korea brutally assaulted the Republic of Korea last June, the strength of our armed forces stood at approximately one and a half million men and women; today, five months later, the manpower strength of our armed forces has been increased by more than 50 percent, to more than 2 and a quarter million men and women; and our goal, until this most recent act of aggression, has been a strength of 2 million 800 thousand by the end of the current fiscal year. Now, we face the necessity of having to raise our sights, both in terms of manpower and in terms of production.
>
> "This prospect makes it essential that the funds I am now requesting be made available speedily in order to build up our military strength as rapidly as possible. About 9 billion dollars of these new funds will be used for major military procurement, and to expand facilities for military production.
>
> "The appropriation request I am transmitting today is not a war budget. That would obviously require far more money.
>
> "However, the immediate appropriation of these funds will permit us to make the fastest possible progress in increasing our

strength. This action will permit us to go ahead at once to step up rapidly the size of the armed forces and the rate of military training. It will permit us to go ahead at once to increase rapidly the rate of production of planes, tanks and other military equipment. At the same time, we can be going ahead with plans for such further expansion as may be necessary, and any additional funds required for that purpose can be requested when and as such plans are worked out."

The Committee has proceeded with expedition to consider the estimates. The funds requested total more than those of the basic Appropriation Act for 1951 which was under consideration in Committee for approximately six weeks. The Committee has considered the present request for funds in lengthy, all day sessions for 10 days. It is urged that the House take expeditious action on its recommendations.

Supplemental Request, House Document 727

The detailed request for funds for Supplemental Appropriation for 1951 contained in House Document 727, contains funds for all Departments of the Military Service in a total amount of $16,844,247,000. These are the detailed items referred to by the President in his message in House Document 726.

Thus far this year there has been appropriated to the various elements of the Department of Defense $24,996,434,000. This has been done in two Appropriation Acts, The General Appropriation Act, 1951 (P. L. 759) and Supplemental Appropriation Act, 1951 (P. L. 843) of the 81st Congress.

The major emphasis in these supplemental estimates is again placed on Major Procurement and Production Costs. Approximately fifty per cent of the funds requested by the three services fall in this category. A considerable sum of this amount will be utilized to extend production facilities in order to improve our mobilization ability. The increase in Military Personnel Costs and Operation and Maintenance Costs is somewhat below the normal peacetime budget distribution. Rates in both of the latter categories have increased with rising costs. There is a considerable increase in the request for Acquisition and Construction of Real Property, principally due to the need for facilities for the housing and training of military personnel, for the operation and maintenance of more aircraft of heavier and faster types, and for production facilities for special military equipment. Requests for Civilian Components are negligible, funds already appropriated being sufficient since many of the civilian components have been called to active service. Additional emphasis is indicated in the field of Research and Development and Industrial Mobilization in order to improve our weapons and equipment as expeditiously as possible.

ALASKA COMMUNICATION SYSTEM

House Document 730 contains a request for funds in the amount of $934,000 for the Alaska Communication System divided as follows: "Operation, maintenance, and improvements," $470,000, and "Construction, installation, and equipment of temporary or permanent public works," $464,000. The first of these amounts is necessary to meet communication requirements caused by the Korean situation and expanding military activity in Alaska. The latter is to provide quarters and security fences at isolated sites for military personnel who will operate new communication facilities now being constructed.

ESTIMATES

These estimates requesting a total of $16,845,181,000, of which $51,000,000 is for the Office of the Secretary of Defense; $9,211,799,000 (of which $934,000 is for the Alaska Communication System) for the Department of the Army; $2,979,371,000 for the Department of the Navy; and $4,603,011,000 for the Department of the Air Force, were prepared at a time when the major military action in Korea appeared to be nearing an end and before the surge of Chinese Communist forces into the Korean theater of activities had occurred. It must be assumed that it had its relation to and substance in the facts and circumstances that existed at the time major determinations and decisions were made concerning the requirements it was intended to provide. It is now presented to the Congress, not as a sufficient request to provide present known needs but as a sound foundation for the continuation of a greatly accelerated preparedness program. It must now be considered on an emergency basis with emphasis on speed, and with the expectation that all necessary procedural checks will be accelerated to meet the speeds in other activities. The committee needs not remind Members of this Congress of the recent critical days which have raised grave problems which must be met forthwith. It has not been possible to give the careful consideration to these estimates in the limited time at the committee's disposal that is desired. On the other hand the services have presented a great deal of information and have given every assistance to aid the committee to understand the requirements. Faith of the highest type must be placed in our military leaders that they will to the maximum extent possible exercise economy. Information presented to the committee during these hearings will be more fully developed at the regular hearings a few weeks hence.

The following tabulation gives an approximate distribution in round figures by categories of the funds already appropriated for fiscal year 1951 as well as the funds now requested showing not only the amounts requested for each category but the percentage of the requested amounts for each.

Cost category	Basic and first supplemental appropriations		Proposed second supplemental appropriations		Total fiscal year 1951	
	Amount	Percent	Amount (In thousands of dollars)	Percent	Amount	Percent
I. Military Personnel Costs	$5,612,000	22	$1,687,000	10	$7,299,000	17
II. Operation and Maintenance	6,132,000	24	3,935,000	23	10,067,000	24
III. Major Procurement and Production Costs	10,268,000	41	8,593,000	51	18,861,000	45
Aircraft	6,642,000	26	1,888,000	11	8,530,000	20
Ships and harbor craft	275,000	1	381,000	2	656,000	2
Other	3,350,000	13	6,325,000	38	9,675,000	23
IV. Acquisition and Construction of Real Property	696,000	3	1,430,000	8	2,126,000	5
V. Civilian Components	774,000	3	62,000		836,000	2
VI. Research and Development	733,000	3	437,000	3	1,170,000	3
VII. Industrial Mobilization	158,000	1	154,000	1	312,000	1
VIII. Establishment-Wide Activities	538,000	2	547,000	3	1,085,000	3
Contingencies	[1] 85,000				[1] 85,000	
Total	24,996,000	100	16,844,000	100	41,841,000	100
			(In thousands of dollars)			

[1] Departmental and category distribution to be determined by Secretary of Defense.

NOTE.—The above computation does not include the request for the Alaska Communication System contained in House Document 730 in the amount of $934,000.

MILITARY STRENGTH ESTIMATES

	Basic, 1951	First supplemental	Second supplemental	Total
Army	631,900	204,000	429,000	[1] 1,264,900
Navy	376,501	203,304	104,067	683,872
Marine Corps	74,437	63,576	28,142	166,155
Air	416,000	132,314	102,781	651,095
Total	1,498,838	603,194	663,990	2,766,022

[1] Includes 1,900 cadets, United States Military Academy.

An amount of $1,687,000,000 is provided in this supplemental for military personnel support such as military pay, subsistence, clothing, travel, and welfare and moral activities, for an additional strength of 664,488, the number shown as the increase by the above table. This will support a military strength of 2,766,022 by the end of the fiscal year at a total cost for military personnel support of $7,299,000,000.

CIVILIAN PERSONNEL

Estimates from the Departments indicate that civilian employment will be increased by approximately 218,000. This will raise the total civilian employment to an estimated 1,232,000, with 526,000 employed by the Army, 424,000 by the Navy, 250,000 by the Air Force and 32,000 by Mutual Defense Assistance Programs and the Office of the Secretary of Defense. Many of the civilian employees are now employed in Government shipyards, gun factories and ordnance plants, and many of the new employees provided for in the bill will work in similar capacity.

PUBLIC WORKS

The Committee recommends $1,430,542,000, including $464,000 for the Alaska Communication System, for military public works in

Continental U. S. and overseas installations, to be appropriated as follows: Military Construction, Army $320,164,000, Public Works, Navy $303,378,000, and Acquisition and Construction of Real Property, Air Force $807,000,000.

In making this recommendation the Committee emphasizes that these funds are intended to produce operational facilities such as runway extensions, fuel storage and communications facilities, expansion of ordnance facilities to provide for production of new and improved explosives, expansion of training facilities to improve our mobilization base, security measures necessary to the national defense, and certain emergency repairs. It is further emphasized that the replacement of useable facilities is not contemplated and that the construction of administrative convenience type structures must be postponed.

Of the total amount recommended, $986,126,100 is in Continental U. S. and $444,415,900 for Overseas installations.

RESEARCH AND DEVELOPMENT

The committee and the Congress has recognized the importance of Research and Development and during the past several years has provided annual increments of funds of approximately $600,000,000. With the additional funds provided in the pending measure the total sum for the current fiscal year for research and development will approximate $1,100,000,000. In time of mobilization or partial mobilization the role of Research and Development assumes even greater importance and the emphasis may change from research to development. Moreover, the huge sums previously provided for research and development are paying dividends of immeasurable significance as we move into the accelerated procurement program. Upon the assurance of departmental witnesses that there are sufficient scientists and technicians available to carry out a program materially greater than is at present being conducted and that there are programs and projects ready and needed the committee is recommending the requested increase in these funds to almost double the amounts that have been expended during the past few years for these purposes. The funds are in part intended to expedite the translation of present research knowledge into prototype weapons and equipment for operational evaluation prior to production. This program should advance the placing of new and advance design weapons in the military forces by some several months.

The committee was assured that the program had been examined in connection with the programs of the various services as to the impact on industry and science, and had been determined to be well within the practical limits of feasibility.

INDUSTRIAL MOBILIZATION

The budgeted request includes $154,000,000 for Industrial Mobilization spread through the various services and appropriations, (Army $67,000,000, Navy $34,000,000, and Air Force $53,000,000). These items will advance the readiness for mobilization of the services principally in the provision of tools with which to undertake production on an expanded scale. The committee is assured that the program has been well coordinated to prevent duplication.

PRICE TRENDS

The committee was advised with regards to price trends of commodities which the military must procure as follows:

> "Price trends since the spring of 1950 and particularly since the start of the conflict in Korea have resulted in very substantial increases in the cost of feeding, clothing, housing and equipping the expanded forces required for our national security. The BLS wholesale price index reached an all-time high of approximately 172 on 28 November, a rise of over 12% since April 1950 and an increase approaching 3% during the last two months. Many basic raw materials have increased in price to an even greater extent than have finished commodities. While the rise in basic raw materials prices is not fully and immediately reflected in cost of end items procured by the armed services due to the existence of fixed price contracts for many items, they are being felt more and more, and will be reflected in higher costs of defense to be ultimately borne by the taxpayer.
>
> "Unless adequate measures are taken promptly to control and stabilize the price structure, additional appropriations will be required to implement the military programs contemplated in the expanded fiscal 1951 budget."

Department of the Army

The request of the Department of the Army for $9,210,865,000 (plus $934,000 for the Alaska Communication System) as additional appropriations for the Fiscal Year 1951 is for two purposes: to enable the Army to support its part in the United Nations military action in Korea, and to increase the size and readiness of armed forces to support the foreign policies of our nation, which must include support of the North Atlantic Treaty Organization. The present amount requested is the difference between a total estimated Army requirement for the current fiscal year of $16,518,624,810 and the amount of $7,307,759,810 already available for Fiscal Year 1951 under Public Laws 759 and 843 and by transfer from the Emergency Fund appropriated to the Department of Defense under Public Law 843.

In view of the international situation, the Army, based on approval by the Joint Chiefs of Staff, faces the necessity of increasing military strength very rapidly and expanding facilities for military production. These measures will make it possible to move speedily into an increased state of mobilization if the situation grows more serious. In the supplemental estimates it is indicated that the cost of this increased strength and production of matériel will amount to $5.6 billion. For military strength the increase in man-years amounts to 252,000 over the strength provided in the general and supplemental appropriation acts for fiscal year 1951. A considerable portion of the major procurement requirements is intended to cover combat losses. While replacement of combat losses may not become available in time to influence the conflict in Korea, procurement must be scheduled to fill other needs. This replacement matériel will be the most modern available.

MILITARY PERSONNEL COSTS, ARMY

The supplemental estimate of $1,135 million for military personnel for the Army includes costs for additional reserves on extended active duty with regular forces, and reservists on continuous active duty for training reserve forces. Such costs include pay and allowances, subsistence, individual clothing and equipment, travel, and other costs such as welfare and morale and chaplains' activities. The supplemental funds herein requested will bring the Army strength up to 1,263,000 on June 30, 1951, instead of the 834,000 terminal strength planned as of such date under appropriations previously made. While most of the amounts requested for military personnel represent costs of increased strength, relatively larger expenditures for travel and funds for increases in prices of clothing and subsistence were noted by the committee.

MAINTENANCE AND OPERATIONS, ARMY

Increase in the size of the Army and combat operations in Korea account for the Army's request in the supplemental estimate of $2,473 million for the maintenance and operation of Army troops and facilities. The Korean war has been supported primarily from depot stocks, overhauled and rebuilt as necessary, since newly procured equipment has not been received in significant quantities. The committee is advised that this activity must continue at a high rate, together with increased requirements for transportation, communications and other logistical services to maintain combat readiness. Increased requirements in fiscal year 1951 were noted for operation and maintenance of troops and facilities, and for medical activities. These requirements are directly attributable to the processing and training of troops for operations in Korea and to carrying out the expansion of the Army.

MAJOR PROCUREMENT AND PRODUCTION, ARMY

The request of the Department of the Army for $4,550 million as a supplemental estimate for Fiscal Year 1951 for procurement of matériel represents about one-half of the total supplemental estimates. Equipment must be procured now to replace the critical and long lead time items expended in Korea, as reported to the committee. Further, withdrawals that were necessary during early participation in the Korean campaign and which have again become necessary as a result of Chinese Communist participation result in very heavy equipment losses. Modernization of the equipment of the active Army involving substantial additional funds constitutes an absolute necessity, according to the Army, under present world conditions, otherwise a favorable balance of power in combat cannot be achieved. Attaining such balance of power depends in large part on superiority of weapons, the committee believes, particularly against actual or potential enemies whose manpower resources are vastly greater than ours. The committee noted accelerated activity in this field by comparison of amounts requested in the estimates for procurement of tanks. Under the General and Supplemental Appropriation acts for

fiscal year 1951 a total of $365 million was appropriated. The present estimates of $700 million for tanks are approximately twice the amounts previously appropriated.

Requirements for expediting production funds are substantial in the supplemental amounts included herein, $575 million, as compared with $125 million previously appropriated. The basic purpose of these funds is to provide production facilities by construction, rehabilitation, conversion or expansion of government-owned and privately owned facilities. The committee recommends appropriation of the amounts requested, recognizing that many contractors are reluctant to buy on their own account the machinery and facilities for which they will have no use in the civilian economy after completion of a government contract.

Higher costs of procurement represent an additional factor in the large sums of money requested by the Army, the Committee was informed. Also, the estimates were developed in the light of conditions which existed prior to wholesale participation by the Chinese Communists in the Korean campaign. Should larger forces be required and should combat activity continue at an increased rate, present requirements would, of necessity, be revised upward, according to the various representatives of the Army who testified before the Committee on this subject.

MILITARY CONSTRUCTION, ARMY

The total funds requested by the Department of the Army for acquisition and construction of real property during the Fiscal Year 1951 amount to $500 million. The General and Supplemental Appropriation acts made available $180 million with the difference, or $320 million, included in the supplemental funds herein requested. The Committee was informed that these additional funds will finance the first increment of a four-year plan to provide support necessary for improvement of facilities of the active Army and for providing a better mobilization base. The committee was convinced after considerable discussion that the facilities to be made available, both existing and new, temporary and permanent, will not exceed the capacity required at any location under current mobilization plans. Permanent facilities to be constructed will be located in accordance with approved master plans and, in general, will not require removal of existing World War II mobilization structures. The Committee, therefore, recommends appropriation of the amount requested.

ESTABLISHMENT-WIDE ACTIVITIES, ARMY

Funds included in the supplemental estimates herein requested by the Department of the Army amount to $620 million for inter-Service and other activities which are Defense Department-wide in scope. It was noted that included for the first time is a total of $350 million for a portion of a war reserve of raw wool and textiles. This money is for liquidation of contracts authorized by the Supplemental Appropriation Act (Public Law 843, 81st Congress) and the reserve to be built up, the Committee was informed, will be a stockpile which will be available for Navy and Air Force, as well as Army, usage.

The Committee also was informed that amounts were included in the supplemental estimate for aid to the civilian population of Korea since the Army has been designated the appropriate agency for carrying out Department of Defense responsibilities to prevent disease and unrest and to furnish supplies necessary to serve common military and civilian uses. The Committee recognizes that this should become the responsibility of some other federal agency as soon as conditions permit. However, under the fluid situation existing in Korea, it appears necessary that the Army continue this activity, and the committee accordingly recommends appropriation of funds requested for the purpose.

LANGUAGE CHANGES—ARMY

Under the heading "Civilian Relief in Korea", new language has been included to authorize the expenditure of funds for all expenses necessary for emergency relief for the civilian population of Korea, incidental to military operations. The language would authorize, among other things, the provision of food, shelter, clothing, and medical supplies and services in such areas as may be necessary to enable the accomplishment of our military objectives. In order that military stocks may be used to supplement the program in case of necessity, the language permits the utilization, without reimbursement, of materials and supplies available to the Department of Defense to further the purposes of this appropriation. Such stocks could also be used on a reimbursable basis where considered desirable. Approval of the language in the bill is conditioned upon the understanding that a quarterly report will be made to the Appropriation Committees of the Congress of such military stocks as are used for the purposes of this provision.

Under the headings "Quartermaster service, Army", "Signal service of the Army", "Engineer service, Army", "Ordnance service and supplies, Army", "Chemical service, Army", "Army National Guard", "Organized reserves", and "Expediting production", language as follows has been inserted:

Provided, That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952

These provisions are included to authorize the obligation of the appropriations concerned in the event that commitments made during the close of the fiscal year require additional time for legal documentation and in order to insure sufficient time to permit orderly and thorough final negotiations even at the close of the fiscal year in cases where time during the current fiscal year is not sufficient. The present procurement program is based upon making all possible efforts to expedite the procurement of military supplies by obligating these funds during the current fiscal year. Nevertheless, the possibility exists that changes in the military situation may necessitate revisions of the program, with consequent delay in formal contracting, and it is considered desirable that provision be made to meet this contingency. In the case of the National Guard and Organized Reserves, the provision will also provide a method of ensuring proper and economical planning of summer training. In the past, it has been necessary to make hurried revisions of such plans at the last moment, since the amount of funds appropriated by Congress was not known until June

or later. This bill carries funds for summer training to be performed in the first three months of fiscal year 1952, which will permit the orderly planning and completion of such training.

Under the heading "Quartermaster service, Army, Clothing and equipage", the following has been inserted:

of which not to exceed $350,000,000 is for payment of obligations incurred under authority granted under this head in the Supplemental Appropriation Act, 1951, to enter into contracts for the purchase of 100,000,000 pounds of raw wool, woolen garments, fabrics, and knitting yarns for use of all the armed services, which contracts shall not exceed the amount herein appropriated for payment thereunder;

The Supplemental Appropriation Act, 1951, included under this heading a contract authority for the purchase of 100,000,000 pounds of raw wool, woolen garments, fabrics and knitting yarns, to constitute a wool reserve for the armed forces. It now appears that it will be feasible to obligate no more than $350,000,000 for this purpose during the current fiscal year. Because of the difficulties attendant upon accounting for contract authority stated in weights rather than dollars, it appears advisable to terminate the contract authority at this time, with the expectation that further authority to purchase amounts necessary to complete the 100,000,000 pound wool reserve stock will be granted at a future date. The above language would, in effect, substitute an appropriation of $350,000,000 for the existing contract authority.

The following language has been included under the heading "Ordnance service and supplies, Army":

Provided further, That the sum of $2,500,000 of the appropriation "Ordnance service and supplies, Army", 1942–1946, shall remain available until June 30, 1951, for the payment of obligations incurred under contracts executed thereunder prior to July 1, 1946;

At the conclusion of hostilities in World War II, when a large number of cost-plus-a-fixed-fee contracts were terminated, lawsuits for additional pay had been instituted against contractors by their employees under the Fair Labor Standards Act. It was necessary in the termination agreements to exempt these potential liabilities from the contract settlement, thus leaving the Government liable for reimbursement to such contractors for amounts awarded to contractors' employees by the courts or by compromise outside court. When judgments are entered or compromises are reached, it is essential to the contractors, faced with the financial burden of making payment of judgments or compromises, that the Government make immediate reimbursement to them. Extension of these fiscal year 1942–1946 funds, originally obligated by the contracts, will facilitate immediate payment by the Department of the Army, and avoid the running of interest on these claims and on claims settled under the Contract Settlement Act.

Department of the Navy

The supplemental request of the Department of the Navy totalling $2,979,371,000 is for the purpose of providing for urgent deficiencies in a number of areas. Funds are requested for urgent conversion, modification and construction programs and for the procurement of war supplies to replace essential material incident to the Korean war. Procurement of military equipment having a long lead time is to be initiated and phased for a period of years to support the forces ap-

proved by the Joint Chiefs of Staff. This supplemental request when prepared was intended to support the known requirements of the forces in being and planned for activation within the current fiscal year. However, these estimates did not reflect in any way the requirements generated by the recent turn of events incident to the Chinese Communist offensive in Korea. As expressed by Admiral Forrest P. Sherman, Chief of Naval Operations, "I wish to make it clear that the Second Supplemental Estimates were formulated before the current major Chinese Communist offensive in Korea. They do not cover any acceleration of preparedness to counter the events of the past ten days but they do cover the plans which are firm as of now. These funds include:

"a. Those necessary to pay for actions already taken to meet the exigencies of the situation in the Far East, and for which funds were not available in the 1951 Basic and the Supplemental Appropriations; and

"b. Additional funds necessary to operate and support the forces in being for the remainder of the fiscal year; to provide for a moderate further expansion of the operating forces and supporting establishment; and to initiate a modest program of badly needed procurement of critical items. These items include equipment to modernize the two Marine Divisions, and procurement to reduce somewhat our deficiencies in new and critical types of ammunition."

These supplemental estimates when added to the $7,837,264,000 appropriated in the Basic and First Supplemental will provide the Navy with obligating authority of $10,816,635,000. This is composed as follows:

Cost category	*Percent of request*
Military Personnel Costs	9. 6
Operation and Maintenance	20. 3
Major Procurement and Production Costs	53. 0
Public Works	10. 2
Civilian Components	0. 0
Research and Development	5. 2
Industrial Mobilization	1. 1
Service-wide Activity	0. 6
	100. 0

MILITARY PERSONNEL COSTS, NAVY

Under the category "Military Personnel Costs," which consists of those items either paid directly to the military personnel or spent on their direct support, there is required a total of $287 million. This will provide for increasing the military personnel of the Navy to a strength of 683,872 and that of the Marine Corps to 166,155 by the end of this fiscal year. These personnel are the ones needed to man our additional ships, aircraft and Marine divisions, many of whom are presently engaged in the Far East.

The committee was particularly pleased with the indications of both the Navy and Marine Corps that the majority of the personnel increases would go to combat forces. Both the Navy and Marine Corps have been able to augment their forces up until now and expect to continue the indicated augmentation by means of recall of reservists and voluntary enlistment. The Marine Corps has already called up practically its entire ground reserve units. Many of the air reserves of the Navy and Marine Corps have been called up as units.

A particular item of note under this category is the increased cost of subsistence for military personnel resulting from the rising cost of food. This amounts to $22 million for personnel previously appropriated for and is a direct deficiency item.

OPERATING FORCES, NAVY

The Navy has proposed increasing its operating ships to 1,029 and its operating aircraft to 7,512 by the end of fiscal year 1951. This is in accordance with the approved plan of the Joint Chiefs of Staff. Personnel and material required by these operating forces support these figures. Marine divisions are being brought to full combat strength fully equipped. Meantime plans are going forward for other increases. Admiral Sherman, Chief of Naval Operations, proposed placing an attack carrier and an escort carrier in operating condition in each reserve fleet so that all that would be necessary to enable them to join the active fleet would be to place full crews on board. Such preliminary steps as can be taken to improve our mobilization readiness is heartily endorsed by the Committee.

The shore establishment of the Navy is to be augmented only as necessary to support adequately the forces in being and in the process of reactivation. It is recognized that much work will have to be done in the shore establishment to activate ships, equip them and modernize them.

SHIPBUILDING, NAVY

In the Navy's request there is included the sum of $377 million for Shipbuilding programs. This amount will permit the Navy to proceed with the conversion of another attack carrier to handle the latest type aircraft being procured, and initiate the construction of additional mine vessels, the requirement of which has increased so greatly as a result of operations off Korea.

In addition, there are to be provided funds to meet currently indicated costs of past programs, most of which have been speeded up in order to reap the benefits of this new construction at the earliest moment.

Funds are required by the Navy to carry out the approved program of converting three large passenger liners being built by the Maritime Commission into troop transports. These funds are reflected in the estimates of the Navy.

AIRCRAFT, NAVY

No funds were requested by the Navy for the procurement of additional aircraft. A sum was requested to improve production capabilities of the aircraft industry so that extension or expansion of production lines might be facilitated in case of mobilization.

OTHER MAJOR PROCUREMENT AND PRODUCTION COSTS, NAVY

The Navy has requested a considerable sum for the procurement of tanks for the Marine Corps (these tanks are purchased through the Army), for ammunition of new types and types wherein the Navy's reserve is low, for electronic equipment of new and improved design and for guns and gun control equipment.

Principal emphasis continues to be placed on military equipment for antisubmarine warfare and antiaircraft warfare. Production of the first increment of guided missiles was included in the Navy's request. It is considered urgent that this procurement be initiated since many of the items require a long time for delivery.

CIVILIAN COMPONENTS, NAVY

No funds were requested by the Navy for Civilian Components. Since many of the reserves of the Navy and Marine Corps are being called to active duty there will be a surplus of funds in the "reserve" appropriations for their pay at drills and training duty as Reserves. However, these surplus funds are to be utilized to train additional reserves and reequip reserve units looking forward to the day when the reserve units will be brought to full strength again. Much of the equipment previously assigned to the reserve units was mobilized with the personnel.

LANGUAGE CHANGES, NAVY

The first item is under the head "Marine Corps Troops and Facilities." This involves a transfer of $5,312,000 from the appropriation, "Military Personnel, Marine Corps Reserve, 1951," which is occasioned by the curtailment of organized reserve strengths incidental to the current emergency. The funds will be used under the head, "Marine Corps Troops and Facilities," to re-equip reserve units.

Additional transfers of $9,756,000 and $4,781,000 will be made from "Military Personnel, Naval Reserve, 1951" and "Military Personnel, Marine Corps Reserve, 1951," respectively, to the head, "Aircraft and Facilities." These transfers are likewise the result of the curtailment of organized reserve strengths during the current emergency.

Under the head, "Construction of Aircraft and Related Procurement," a proviso is added which will increase the 1951 Aircraft Procurement Program by an amount equal to the funds appropriated in this Act.

Under the head, "Construction of Ships," a proviso is added which will consolidate into a single limitation all outstanding limitations for ship construction and conversion under this head since its inception. In prior years certain programs under "Construction of Ships, Navy," specifically the 1948 and 1949 programs, have had no dollar limitation imposed. Appropriations subsequent to 1949 have had a dollar limitation for each program. The consolidation of all limitations under this head which is accomplished by this new language will serve to impose a limitation on those programs which heretofore have not been limited and at the same time combine the limitation into a grand total figure which represents the limitation of cost of all programs authorized under this head to date. The date, July 17, 1947, has been used to designate the inception of the appropriation, "Construction of Ships, Navy," for the purposes of the above limitation, since the Navy Department Appropriation Act for 1948, which first contained this appropriation, became law on the following day. All programs approved under this head, therefore, must have been approved after July 17, 1947.

A similar purpose has been accomplished by the proviso added under the head, "Ordnance for New Construction." The effect of this new

language will be to consolidate all outstanding limitations for ship construction and conversion under "Ordnance for New Construction, Navy" since the inception of this appropriation into a single limitation. The reasons behind this consolidation are the same as those given above under the head, "Construction of Ships."

A change is provided for under the head, "Civil Engineering" which would repeal the limitations imposed on the purchase of passenger motor vehicles by the General Appropriation Act, 1951, and by Section 107 of the Supplemental Appropriation Act, 1951. The appropriation which was made available for the purchase of passenger motor vehicles in the General Appropriation Act, 1951 was limited to the purchase of passenger motor vehicles for replacement purposes only. Section 107 of the Supplemental Appropriation Act, 1951 removed this limitation so as to permit the purchase of motor vehicles for additional as well as for replacement requirements, but there was imposed an overall limitation of $3,000,000 for this purpose. The new language will remove both limitations as above and will place the Navy on the same footing as the Army and Air Force in this regard.

New language has been inserted under the head, "Research," to the effect that this appropriation is to remain available until expended. This amendment is for purposes of clarification only, in the light of the General Provision included in this Act which states that no appropriation for the Department of Defense contained in this Act shall remain available until expended unless so provided in the appropriation concerned. No substantive change is involved in view of the fact that the appropriation, "Research," contained in the General Appropriation Act, 1951 is specifically made available until expended.

An amendment has been made under "Service-Wide Operations," whereby the limitation under this head on the amount available for emergency and extraordinary expenses is increased by $13,445,000.

Department of the Air Force

The supplemental estimates contained in House Document 727 for the Department of the Air Force total $4,603,011,000 and represent the estimated requirements to meet costs chargeable to the Korean emergency as projected for the present fiscal year, and to support the United Nations forces in Korea, and to further increase the strength and structure of the military forces, and to provide increased readiness should other situations arise. The above amount together with funds already appropriated for fiscal year 1951 make a combined total of $13,945,798,000.

The major programs to be supported from the funds provided are: Acquisition and construction of real property, aircraft and related procurement, procurement other than aircraft, research and development, industrial mobilization, and guided missiles. There are, of course, many other important activities supported from these funds in which the Congress and the country have great interest, one in particular being the so-called radar fence. The Committee reiterated its urgent request that work on the radar fence be given the highest possible priority. It must not be thought, however, that an air warning net or system is a complete answer to our air defense problem as it is only to provide information as to when there is need for the use of the defense and strategic air arm which is the major component of the air defense of the United States.

After consideration by your committee of the regular appropriation for the Air Force for fiscal year 1951 the Korean situation occurred. It resulted in a request for a supplemental appropriation to provide support for such operations by augmentation of the Far East Air Force with additional air wings and sufficient personnel to bring the air units in the theater up to war strength. It also provided for elimination of certain deficiencies in the basic 48-wing Air Force, and a build-up to 58 wings. As a result of the operations in the Far East and a study of the world situation by the Joint Chiefs of Staff it is now recommended that the military posture of the services be improved. The present request is not presented as the final answer to all that is desired. It is presented in the present manner and for the presently requested amounts on the bases that it is an orderly arrived at calculation of what is needed for the second increment of the build-up. It is not all the services think they may need but it is all they can justify at this time under the plans that have presently been formulated. It is the hope of the Air Force that the funds herein requested will permit the build-up to a strength of 68 wings by the end of this fiscal year, with a larger goal in sight for the coming year.

AIRCRAFT AND RELATED PROCUREMENT, AIR FORCE

The request for aircraft and related procurement in this supplemental budget is only a continuation on a somewhat larger scale of the program than has been in progress for the same purposes for the past many months. It is proposed to augment the funds already provided with an additional amount of $2,144,000,000 in order that items of procurement of long lead time may be firmly contracted for and placed in line for completion. These funds together with funds already provided will give to the Air Force approximately $9 billion in cash and contract authority for the procurement of aircraft and related procurement. From the funds previously provided there is at this time undelivered approximately 1,400 planes procured from prior years' funds; that is, 1950, 1949, and 1948. These are facts staggering to the imagination but facts that must be brought home to our people if we are to understand the implications of what world conditions mean. These funds provide for the construction and procurement of complete aircraft, including engines, armament, electronics and weapons installed, as well as initial spare components and parts. They also provide for such related items as industrial machinery and facilities, ground-handling equipment, modernization of in-service aircraft, guided missiles, and industrial mobilization programs. Under the present program provision is made for the expenditure of $5,073,000,000 for the procurement of new aircraft and initial spares, $220,000,000 for modernization of aircraft in service, $410,000,000 for manufacturing machinery, facilities and equipment, $380,000,000 for installed electronics and communications equipment, $150,000,000 for guided missiles, and $80,000,000 for industrial mobilization.

MAJOR PROCUREMENT OTHER THAN AIRCRAFT, AIR FORCE

This appropriation finances the procurement of weapons (excluding airborne) and ammunition, vehicles, and other ground-powered equipment, electronics and communications equipment, training equipment, and other similar equipment items.

Of a total requirement of some $1.2 billion for fiscal year 1951, a part of which has been financed previously the present supplemental request is $583,900,000. It estimates for $258,000,000 for ground-powered and marine equipment, of which $78,000,000 is for general-purpose vehicles and $88,000,000 is for special-purpose vehicles. Weapons and ammunition account for $63,000,000, and electronics and communications equipment for $45,000,000. These are represented as only the minimum essential equipment to operate a 68-wing Air Force.

ACQUISITION AND CONSTRUCTION OF REAL PROPERTY, AIR FORCE

The appropriation "Acquisition and construction of real property" finances the costs relative to construction, installation, and equipment of temporary and permanent public works, military installations, and facilities for the Air Force. It is represented that the total requirements of the Air Force for fiscal year 1951 amount to $1,173,984,000. $366,984,000 has previously been provided. The present request is for $807,000,000. It is represented that this item is most critical since training, continental defense, and other aspects of the Air Force build-up are contingent upon the facilities to be provided by means of this appropriation.

MAINTENANCE AND OPERATIONS, AIR FORCE

This appropriation provides for the maintenance and operation of the physical plant and equipment and activities essential to the performance of missions assigned to the Air Force. Requirements for programs contained in this appropriation, it is represented to your committee, have been calculated from specific program factors, such as the number of aircraft, deployment of organizations, the scheduled flying-hour program, the number and function of installations and similar factors. The calculated requirements are $2,584,218,000, of which $1,879,618,000 has been provided previously. The remaining $704,600,000 is requested in this supplemental estimate and is recommended by the committee.

MILITARY PERSONNEL REQUIREMENTS, AIR FORCE

This appropriation finances the pay and allowances of military personnel, permanent movements of personnel and organizations, procurement of subsistence supplies and clothing, and other minor items related to military personnel programs. The amount of $1,810,500,000 for fiscal year 1951 is based upon a personnel-procurement program to build to an end strength of 651,095 as of June 30, 1951, rather than the 548,314 previously projected and for which appropriations had been made. An additional amount of $264,700,000 is now requested to complete the program.

RESEARCH AND DEVELOPMENT, AIR FORCE

The appropriation "Research and development" finances the program designed to apply the latest scientific and technological development to aircraft, weapons and equipment. The Congress has already appropriated for fiscal year 1951 $241,189,000 and because of present

conditions and trends an additional $115,000,000 is requested. Elsewhere in the report the committee has indicated its stand on the benefits to be derived from research and development programs which need not be repeated here. It recommends approval of the request.

LANGUAGE CHANGES, AIR FORCE

Transfers and adjustments between Department of the Air Force appropriations have heretofore been accomplished under authority of section 403 of the National Security Act of 1947, as amended. Such transfers and adjustments, which group related programs within a single appropriation, have resulted in the elimination of three appropriations, the establishment of a new appropriation, and the reduction in the total number of appropriations from eleven to nine.

In order to present these changes which have been effected pursuant to section 403 of the National Security Act of 1947, as amended, as well as new matter proposing authority not heretofore contained in Air Force appropriations, the full texts of the appropriations involved are set forth:

AIRCRAFT AND RELATED PROCUREMENT

"Aircraft and related procurement", including construction, procurement, and [contract] modification of aircraft and equipment, armor and armament, spare parts and accessories therefor; electronic and communication equipment, detection and warning systems, and specialized equipment; expansion of public *and private* plants, [and] Government-owned equipment and installation thereof in [public or private] *such* plants, *erection of structures, and acquisition of land without regard to section 1136, Revised Statutes, as amended,* for the foregoing purposes, *and such land, and interests therein, may be acquired and construction prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended;* industrial mobilization, including maintenance of reserve plants and equipment and procurement planning; and other expenses necessary for the foregoing purposes, including rents, transportation of things and personal services in the field; to remain available until expended [,$1,700,000,000, of which $1,525,000,000 is for payment of obligations incurred under authority heretofore granted to enter into contracts for the foregoing purposes]; $2,114,700,000: *Provided,* That [there is hereby established a 1951 aircraft procurement program (including all purposes and objects provided for under this head) in an amount of $1,711,440,000, to be provided from (1) this appropriation, (2) the contract authority granted hereinafter, and (3) $726,151,000 of the balance of the con-

The title of this appropriation has been changed from "Construction of Aircraft and Related Procurement" to "Aircraft and Related Procurement", in the interest of clarity.

The word "contract" is deleted as this word is surplusage.

Authority is included for the expansion of private plants to expedite procurement as authorized for the Army under the head "Expediting Production", and for the Navy under the head "Facilities".

Authority is included for acquisition of land for the purposes of this appropriation prior to approval of title by the Attorney General as required by section 355, Revised Statutes, as amended.

The deleted provision providing for the liquidation of contract authorizations need not be repeated.

tract authority granted under this head in the "National Military Establishment Appropriation Act, 1950", but this proviso shall not be construed to prevent the use in the fiscal year 1951 of other unused contract authority heretofore granted for aircraft procurement: *Provided further*, That the unexpended balances of the appropriations granted under the head "Air Corps, Army," for the fiscal years 1947 and 1948, shall remain available until June 30, 1951, for the payment of obligations incurred thereunder prior to July 1, 1947, and July 1, 1948, respectively: *Provided further*, That the Secretary of the Air Force is authorized to enter into contracts for the foregoing purposes in an amount not to exceed $810,289,000.] *the aircraft procurement program heretofore established for the fiscal year 1951 is further increased by $2,114,700,000;*

The text concerning the 1951 aircraft procurement program, and the availability of unexpended balances of appropriations "Air Corps, Army", fiscal years 1947 and 1948, need not be repeated.

This provision is included to indicate clearly the scope of the aircraft procurement program.

MAJOR PROCUREMENT OTHER THAN AIRCRAFT

"Major procurement other than aircraft", including the procurement of [ordnance] supplies, materials, and equipment, and spare parts therefor[:], *not otherwise provided for; electronic and communication equipment; and the* purchase of passenger motor vehicles [(including one at not to exceed $3,000); and supplies, materials, and equipment, not otherwise provided for, $147,900,000], $583,900,000, *to remain available until expended: Provided, That the unexpended balances of funds appropriated to the Air Force for the foregoing purposes in the Defense Appropriation Act, 1951, and the Supplemental Appropriation Act, 1951, shall remain available until expended.*

The title of this appropriation has been changed from "Special Procurement" to "Major Procurement Other Than Aircraft", to reflect the purpose of the appropriation.

The word "ordnance" is deleted in the interest of clarity.

The words "electronic and communication equipment" have been included to reflect clearly the purpose of this appropriation as heretofore adjusted under authority of section 403 of the National Security Act of 1947, as amended.

New authority is included to extend the availability of the unexpended balance of funds heretofore appropriated to the Air Force for the purposes of this appropriation.

ACQUISITION AND CONSTRUCTION OF REAL PROPERTY

"Acquisition and construction of real property", including construction, installation, and equipment of temporary or permanent public works, military installations, and facilities for the Air Force, as authorized by the Act of March 30, 1949 (Public Law 30, Eighty-first Congress), the Act of October 27, 1949 (Public Law 415, Eighty-first Congress), as amended, the Act of May 11, 1949 (Public Law 60, Eighty-first Congress), and the Act of June 17, 1950 (Public Law 564, Eighty-first Congress), including construction authorized by law, without regard to sections 1136 and 3734, Revised Statutes, as amended, [including] *and the land, and interests therein, may be*

The words "as amended" refer to the Act of September 21, 1950 (Public Law 799, Eighty-first Congress), which amended the Act of October 27, 1949 (Public Law 415, Eighty-first Congress), by increasing the appropriation authorization for the Air Engineering Development Center from $100,000,000 to $157,500,000.

acquired and construction may be prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; expenses necessary for planning projects not otherwise authorized; and hire of passenger motor vehicles; $807,000,000; to remain available until expended; [$164,784,000, of which $25,000,000 is for liquidation of obligations incurred pursuant to authority granted under this head in the Second Supplemental Appropriation Act, 1950, or authorized to be transferred to this head by the National Military Establishment Appropriation Act, 1950.]

Authority is included for the acquisition of land prior to the approval of title by the Attorney General, as required by section 355, Revised Statutes, as amended.

New text is included to indicate clearly that this appropriation may be used for planning projects, including construction projects not otherwise provided for.

MAINTENANCE AND OPERATIONS

"Maintenance and operations", including expenses necessary for the maintenance, operation, and [modification of aircraft, and for] administration of the activities of the Air Force, including the United States Air Force Reserve and the Air Reserve Officers' Training Corps; maintenance, operation, [repair, and other expenses necessary for Air Force facilities, including] *and modification of aircraft;* transportation of things; rents at the seat of government and elsewhere, and in administering the provisions of 43 U. S. C. 315q payments of rents may be made in advance; *repair of facilities;* field printing plants; hire of passenger motor vehicles; training and instruction of military and civilian personnel of the Air Force, including tuition and related expenses; pay, allowances and travel expenses of contract surgeons; utility services for buildings erected at private cost as authorized by law (10 U. S. C. 1346), and buildings on military reservations authorized by Air Force regulations to be used for welfare and recreational purposes; rental of land or purchase of options to rent land without reference to section 3648, Revised Statutes, as amended, use or repair of private property, and other necessary expenses of combat maneuvers; organizational clothing and equipage; payment of exchange fees and exchange losses incurred by Air Force disbursing officers or their agents; losses in the accounts of Air Force disbursing officers as authorized by law (31 U. S. C. 95a; 50 U. S. C. 1705–1707; Act of July 26, 1947, Public Law 248); burial of the dead as authorized by law (10 U. S. C. 916–916d; 5 U. S. C. 103a), including remains of personnel of the Air Force of the United States who die while on active duty, travel allowances of attendants accompanying remains, and acquisition by lease or otherwise of temporary burial sites; conduct of schoolrooms, service

Items for the maintenance, operation and administration of the activities of the United States Air Force Reserve and the Air Reserve Officers' Training Corps have been transferred to this appropriation from "Air Force Reserve" and "Air Reserve Officers' Training Corps". The item for the administration of the activities of the Air Force has been transferred to this appropriation from "Salaries and Expenses, Administration".

The words "and modification of aircraft" represent solely a rearrangement of text under this head.

The words "repair of facilities" represent solely a rearrangement of text under this head.

clubs, chapels, and other instructional, entertainment, and welfare expenses for enlisted men, not otherwise provided for; expenses for inter-American cooperation as authorized for the Navy by the Act of August 2, 1946 (5 U. S. C. 421f), for Latin-American cooperation; payments of deficiency judgments and interests thereon arising out of condemnation proceedings heretofore instituted; and special services by contract or otherwise, [$1,027,662,000.] $704,600,000;

The words "not otherwise provided for" in connection with instructional, entertainment, and welfare expenses are included to indicate that another appropriation includes funds for a part of this program.

MILITARY PERSONNEL REQUIREMENTS

"Military personnel requirements", including pay, allowances, clothing, subsistence, transportation, interest on deposits of enlisted personnel, payment of life insurance premiums, and travel in kind for cadets and all other personnel of the Air Force of the United States on active duty (other than personnel of the Reserve components, including the Air National Guard, on active duty while undergoing reserve training), including mileage, per diem allowances, reimbursement of actual expenses of travel, transportation of troops, commutation of quarters, subsistence supplies for issue as rations to enlisted personnel, cloth and materials and clothing for issue and sale, and clothing allowances, as authorized by law; and, in connection with personnel paid from this appropriation, for rental of camp sites and local procurement of utility services and other necessary expenses incident to individual or troop movements (including packing and unpacking and transportation of organizational equipment), ice, meals for recruiting parties, monetary allowances for liquid coffee for troops when supplied cooked or travel rations, altering and fitting clothing, and commutation of rations, as authorized by law, to enlisted personnel, including those sick in hospitals (to be paid to the surgeon in charge); transportation, as authorized by law, of dependents, baggage, and household effects of personnel paid from this appropriation; transportation, or reimbursement therefor, of applicants for enlistment between places of acceptance for enlistment and recruiting stations, rejected applicants for enlistment, general prisoners, and discharged cadets; travel pay to discharged military personnel; transportation of persons discharged otherwise than honorably, prisoners upon each termination of confinement, and persons discharged from Saint Elizabeths Hospital after transfer thereto from the military service; commutation of quarters and rations to applicants for enlistment and

general prisoners traveling under orders; rations for civilian employees when entitled thereto, applicants for enlistment, prisoners of war, and general prisoners; subsistence supplies for resale, as authorized by law; commutation of rations, as authorized by regulations, to applicants for enlistment, civilian employees entitled to subsistence at public expense, and general prisoners, while sick in hospitals (to be paid to the surgeon in charge); subsistence of supernumeraries necessitated by emergent military circumstances; issues of toilet articles and barbers' and tailors' material to general prisoners confined at military posts without pay and allowances, applicants for enlistment, and recruits upon first enlistment; civilian clothing and when necessary an overcoat, the cost of all not to exceed $30, for each person upon each release from a military prison, each enlisted man discharged otherwise than honorably, each enlisted man convicted by a civil court for an offense resulting in confinement in a civil prison, and each enlisted man interned, or discharged without internment as an alien enemy; expenses of apprehension and delivery of deserters, stragglers, and escaped military prisoners; payment, in the discretion of the Secretary, of rewards (not to exceed $25 in any one case) for the apprehension of deserters; confinement of military prisoners in nonmilitary facilities; donations of not to exceed $25 to each civilian prisoner upon each release from a military prison, to each enlisted man discharged otherwise than honorably upon each release from confinement under court-martial sentence, and to each person discharged for fraudulent enlistment[, $1,245,000,000.]; expenses of courts, boards, and commissions; welfare; *and medals and other awards;* $264,700,000;

RESEARCH AND DEVELOPMENT

"Research and development", $115,000,000, to remain available until expended;

RESERVE PERSONNEL REQUIREMENTS

"Reserve personnel requirements", including pay, allowances, clothing, subsistence, and travel for personnel of the United States Air Force Reserve and the Air Reserve Officers' Training Corps, while on active duty undergoing reserve training or while performing drills or equivalent duty, or undergoing training and instruction; and the procurement and issue of uniforms to institutions necessary for the training of the Air

This appropriation has been established under the authority of section 403 of the National Security Act of 1947, as amended. The items herein have been transferred from "Air Force Reserve", and "Air Reserve Officers' Training Corps".

Reserve Officers' Training Corps, as authorized by law; $1,000, *to remain available until June 30, 1952: Provided, That the unexpended balances of funds appropriated for the foregoing purposes in the Defense Appropriation Act, 1951, shall remain available until June 30, 1952;*

Authority is included to extend the availability of funds heretofore appropriated under the head "Air Force Reserve". Comparable authority was granted under the head "Air Reserve Officers' Training Corps", Defense Appropriation Act, 1951.

CONTINGENCIES

"Contingencies", $13,110,000.

General Provisions

Section 701, which states that no appropriation in the Act shall be available until expended unless expressly so provided in the appropriation concerned, is identical with a general provision carried in the Defense Appropriation Act, 1951. It insures that other provisions of law do not have the effect of making various appropriations automatically available until expended.

Section 702, which proposes to amend section 619, Defense Appropriation Act, 1951, is required by reason of transfers and adjustments in Air Force appropriations heretofore accomplished under authority of section 403 of the National Security Act of 1947, as amended. Permanent change of station travel funds for civilians are contained in the appropriations available for personal services.

Section 703 has been inserted to insure that payments received from nations participating in joint military operations of the United Nations, such as in Korea, for equipment, materials or services furnished to them by the Army, Navy, or Air Force, shall be credited to appropriations available for replacement. This will permit early replenishment of the material furnished from military stock. The Department of Defense has properly followed a policy of requesting reimbursement for property or services furnished to other participating countries, and the Committee considers it essential that the reimbursement be used to replenish military stocks at the earliest possible moment. It is contemplated that where dollars are obtained, such dollars will be credited directly to appropriations. Where dollars cannot be obtained and reimbursement in kind or in foreign currencies can be effectively used by the United States Government, this will be requested. It is contemplated that reimbursement received in kind or in foreign currency will, wherever possible, be used directly for requirements of the respective military agencies with equivalent dollar credit to military appropriations. Where foreign currencies cannot be utilized directly for requirements of the military, they may be converted to dollars by transfer to other Government agencies and the dollars realized will be credited to the appropriate military appropriations.

Section 704 will authorize the Secretary of Defense to employ not to exceed ten top business leaders and executives from industry in connection with programs for expanding production and accelerated defense activities and will exempt such persons from the operation of certain criminal statutes regarding a conflict of interests.

Section 705, contains new authority to permit the Department of the Navy to explore and prospect on Government-owned lands adjacent to Naval Petroleum Reserve Numbered 4, Alaska.

The Secretary of the Navy was given statutory direction and authority by the act of June 4, 1920, as amended (34 U. S. C. 524), "to explore, prospect, conserve, develop, use, and operate" the naval petroleum reserves for naval purposes. By Executive Order a certain area in Alaska was designated as Naval Petroleum Reserve No. 4. Explorations of the area have been made and in some parts of the area it has been determined that the boundaries of this Reserve do not delineate the most favorable areas for the finding and production of oil in northern Alaska. The adjacent Government-owned lands are under the jurisdiction of the Department of the Interior and it is represented to the committee that the Secretary of the Interior has advised the Secretary of the Navy that it is agreeable with his department for the Department of the Navy to explore on the lands adjacent to the Reserve area. The language proposed will permit the exploration to be made and in the event of discovery of oil it is the understanding of the committee that the Department of the Navy would be permitted to conserve, develop, use and operate such area.

Section 706. The purpose of this amendment is to exempt the procurement of firearms, pistols, revolvers, shells and cartridges purchased for the military from a tax imposed by the Federal Aid to Wildlife Restoration Fund. The original intent was to provide a tax on sporting arms and ammunition. During the period when procurement of these same types of items for the military was limited, no distinction was made. However, with the greatly increased procurement of this type of item in this fiscal year, it is recommended that these particular items be exempt from the tax.

Comparative statement of amounts of the budget and of the amounts recommended to be appropriated by this bill

H. Doc. No.	Department or agency	Estimates	Recommended in bill	Bill compared with estimates
	DEPARTMENT OF DEFENSE			
	MILITARY FUNCTIONS			
	OFFICE OF THE SECRETARY OF DEFENSE			
727	Salaries and expenses	$1, 000, 000	$1, 000, 000	
727	Emergency fund	50, 000, 000	50, 000, 000	
	Total, Office of Secretary of Defense	51, 000, 000	51, 000, 000	
	DEPARTMENT OF THE ARMY			
727	Contingencies of the Army	19, 100, 000	19, 100, 000	
	FINANCE DEPARTMENT			
727	Pay of the Army	695, 200, 000	695, 200, 000	
727	Travel of the Army	17, 700, 000	17, 700, 000	
727	Finance Service	4, 000, 000	4, 000, 000	
	Total, Finance Service, Army	716, 900, 000	716, 900, 000	
	QUARTERMASTER CORPS			
727	Welfare of enlisted men	7, 500, 000	7, 500, 000	
727	Subsistence of the Army	343, 800, 000	343, 800, 000	
727	Regular supplies of the Army	275, 300, 000	275, 300, 000	

727	Clothing and equipage	892, 100, 000	892, 100, 000	
727	Incidental expenses of the Army	34, 900, 000	34, 900, 000	
	Total, Quartermaster Service, Army	1, 553, 600, 000	1, 553, 600, 000	
	TRANSPORTATION CORPS			
727	Transportation Service, Army	422, 400, 000	422, 400, 000	
	SIGNAL CORPS			
727	Signal Service of the Army	665, 100, 000	665, 100, 000	
730	Alaska Communication System:			
	Operation, maintenance, and improvement	470, 000	470, 000	
	Construction, installation, and equipment of temporary or permanent public works	464, 000	464, 000	
	Total	666, 034, 000	666, 034, 000	
	MEDICAL DEPARTMENT			
727	Medical and Hospital Department	71, 000, 000	71, 000, 000	
	CORPS OF ENGINEERS			
727	Engineer Service, Army	656, 600. 000	656, 600, 000	
727	Military Construction, Army	319, 700 000	319, 700, 000	
	Total, Corps of Engineers	976, 300, 000	976, 300, 000	
	ORDNANCE DEPARTMENT			
727	Ordnance service and supplies, Army	4, 003, 500, 000	4, 003, 500, 000	

Comparative statement of amounts of the budget and of the amounts recommended to be appropriated by this bill—Continued

H. Doc. No.	Department or agency	Estimates	Recommended in bill	Bill compared with estimates
	DEPARTMENT OF DEFENSE—Continued			
	DEPARTMENT OF THE ARMY—Continued			
	CHEMICAL CORPS			
727	Chemical Service, Army	$51, 100, 000	$51, 100, 000	
	ARMY TRAINING			
727	Army training	3, 600, 000	3, 600, 000	
	U. S. MILITARY ACADEMY			
727	Maintenance and operation	65, 000	65, 000	
	CIVILIAN COMPONENTS			
727	Army National Guard	28, 100, 000	28, 100, 000	
727	Organized Reserves	10, 900, 000	10, 900, 000	
	Total, civilian components	39, 000, 000	39, 000, 000	
	DEPARTMENTAL SALARIES AND EXPENSES			
727	Salaries, Department of the Army	4, 900, 000	4, 900, 000	
727	Contingent expenses, Department of the Army	9, 300, 000	9, 300, 000	
	Total, departmental salaries and expenses	14, 200, 000	14, 200, 000	
727	Expediting production	575, 000, 000	575, 000, 000	
727	Civilian relief in Korea	100, 000, 000	100, 000, 000	
	Total, Department of the Army	[1] 9, 211, 799, 000	[1] 9, 211, 799, 000	

	DEPARTMENT OF THE NAVY			
727	Military personnel, Navy	184, 547, 000	184, 547, 000	
727	Military personnel, Naval Reserve (transfer)	−9, 756, 000	−9, 756, 000	
727	Military personnel, officer candidates	469, 000	469, 000	
727	Naval personnel, general expenses	21, 801, 000	21, 801, 000	
727	Military personnel, Marine Corps	96, 323, 000	96, 323, 000	
727	Military personnel, Marine Corps Reserve (transfer)	−10, 093, 000	−10, 093, 000	
727	Marine Corps troops and facilities	291, 092, 000	291, 092, 000	
727	Aircraft and facilities	158, 520, 000	158, 520, 000	
727	Construction of aircraft and related procurement	156, 360, 000	156, 360, 000	
727	Ships and facilities	383, 005, 000	383, 005, 000	
727	Construction of ships	335, 330, 000	335, 330, 000	
727	Ordnance and facilities	707, 009, 000	707, 009, 000	
727	Ordnance for new construction	42, 394, 000	42, 394, 000	
727	Medical care	27, 705, 000	27, 705, 000	
727	Civil engineering	78, 701, 000	78, 701, 000	
727	Public works (new)	303, 378, 000	303, 378, 000	
727	Research	32, 085, 000	32, 085, 000	
727	Service-wide supply and finance	31, 436, 000	31, 436, 000	
727	Navy stock fund	100, 000, 000	100, 000, 000	
727	Service-wide operations	48, 440, 000	48, 440, 000	

[1] The total, Department of the Army, includes two Alaska Communication items contained in H. Doc. 730.

Comparative statement of amounts of the budget and of the amounts recommended to be appropriated by this bill—Continued

H. Doc. No.	Department or agency	Estimates	Recommended in bill	Bill compared with estimates
	DEPARTMENT OF DEFENSE—Continued			
	DEPARTMENT OF THE NAVY—Continued			
727	Island governments	$625,000	$625,000	
	Total, Department of the Navy	2,979,371,000	2,979,371,000	
	DEPARTMENT OF THE AIR FORCE			
727	Aircraft and related procurement	2,114,700,000	2,114,700,000	
727	Major procurement other than aircraft	583,900,000	583,900,000	
727	Acquisition and construction of real property	807,000,000	807,000,000	
727	Maintenance and operations	704,600,000	704,600,000	
727	Military personnel requirements	264,700,000	264,700,000	
727	Research and development	115,000,000	115,000,000	
727	Reserve personnel requirements	1,000	1,000	
727	Contingencies	13,110,000	13,110,000	
	Total, Department of the Air Force	4,603,011,000	4,603,011,000	
	Total, Department of Defense, military functions	16,844,247,000	16,844,247,000	
	Total, Department of Defense	16,845,181,000	16,845,181,000	

CHAPTER VIII

SUBCOMMITTEE

JOHN H. KERR, North Carolina, *Chairman*

CLARENCE CANNON, Missouri
LOUIS C. RABAUT, Michigan
HENRY M. JACKSON, Washington [1]
JOHN TABER, New York
RICHARD B. WIGGLESWORTH, Massachusetts

[1] Temporarily assigned.

Foreign Aid

EMERGENCY AID TO YUGOSLAVIA

While the committee held hearings on the Yugoslav aid item, subsequent action by the Congress making necessary funds available through a provision on the legislative bill made additional action by the Committee on Appropriations unnecessary. The Budget item of $38,000,000 has therefore been deleted from the bill.

Comparative statement of amount of the budget estimate and of the amount recommended to be appropriated by this bill

FOREIGN AID

H. Doc. No.	Department or agency	Estimate	Recommended in bill	Bill compared with estimate
724	Foreign Aid: Emergency aid to Yugoslavia	$38,000,000	(1)	—$38,000,000
	Total, Foreign aid	38,000,000		—38,000,000

[1] Amount provided for out of ECA funds.

LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitations and legislative provisions not heretofore carried are included in the bill:

On page 3, relating to the National Bureau of Standards, construction of laboratories:

** * * Provided, That the General Services Administrator is authorized to provide for use by the Department of Commerce, without reimbursement, of not to exceed 100,000 square feet of floor space (to be designated by the Secretary of the Navy) of the former United States Naval Hospital, Corona, California, as a guided-missiles laboratory and thereafter $1,540,000 of the amounts appropriated under this head shall be available for (1) such modifications, improvements, and equipment of existing buildings and facilities at said location, as are necessary to permit their use for a guided-missiles laboratory (which shall be in lieu of the new construction authorized for such purpose by Public Law 386, approved October 25, 1949), and (2) other administrative expenses necessary for the establishment of said laboratory, including moving expenses, travel, and transportation of dependents and household effects: Provided further, That with the exception of the establishment and operation of a cafeteria, no community or recreational facilities shall be established or operated by the Department of Commerce in connection with said activities except as may be specifically authorized by law.*

On page 6, relating to the Secret Service Division, salaries and expenses:

** * * Provided, That appropriations granted under this head for the fiscal year 1951 shall also be available for the protection of the Vice President.*

On page 6, relating to the Secret Service Division, salaries and expenses, White House police:

** * * and appropriations granted under this head for the fiscal year 1951 shall be available for employment of additional personnel without regard to the limitation contained in section 2 of the Act of August 15, 1950 (Public Law 693).*

On page 11, relating to the Tennessee Valley Authority:

** * * Provided, That purchases and contracts for supplies or services may be made by the Authority during the fiscal year 1951 without regard to any provisions of law relating to advertising or competitive bidding.*

On pages 26 and 27, under general provisions, Department of Defense:

SEC. 701. Notwithstanding any other provision of law, no part of any appropriation for the Department of Defense contained in this Act shall remain available until expended unless so provided in the appropriation concerned.

SEC. 703. Payments by members of the United Nations for equipment, materials or services furnished in joint military operations shall be credited to proper appropriations of the Department of Defense in the manner authorized by section 403 (b) of the Mutual Defense Assistance Act of 1949.

SEC. 704. The Secretary of Defense is authorized to employ not to exceed ten persons of outstanding experience and ability without compensation; and he is authorized to provide by regulation for the exemption of such persons from the operation of sections 281, 283, 284, 434, and 1914 of title 18 of the United States Code and section 190 of the revised statutes (5 U. S. C. 99). Persons appointed under the authority of this section may be allowed transportation and not to exceed $15 per diem in lieu of subsistence while away from their homes or regular places of business pursuant to such employment.

SEC. 705. Funds heretofore or hereafter appropriated under the appropriation title "Naval Petroleum Reserve Numbered 4, Alaska", Department of the Navy, shall be available for exploration and prospecting on Government-owned lands adjacent to the Naval Petroleum Reserve Numbered 4.

SEC. 706. None of the firearms, pistols, revolvers, shells and cartridges purchased with funds appropriated for the military departments by this or any other Act shall be subject to any tax imposed on the sale or transfer of such articles.

On page 30, under general provisions of the bill:

SEC. 1002. Appropriations and funds made available by this or any other Act for salaries, wages, or compensation, for the fiscal year 1951, shall also be available for payment of any tax with respect thereto which is imposed on any department, agency, corporation, or other instrumentality of the United States, as an employer, by the provisions of the Social Security Act Amendments of 1950.

COMPLIANCE WITH RULE XIII—CLAUSE 2A

The following is submitted in compliance with clause 2A, of Rule XIII (also, see pp. 35–40):

CHAPTER VI

On page 10, in connection with employment in the Office of the Housing Expediter:

(New language)	(Existing law)
** * * and the last proviso under this head in the Supplemental Appropriation Act, 1951, is amended to read as follows: "Provided further, That no part of this appropriation may be used to pay compensation of any employee in a grade higher than the grade of such employee on May 22, 1950, except when such employee is required to fill a bona fide vacancy occurring in such higher grade".*	*Provided further,* That no part of this appropriation may be used to pay compensation of any employee in a grade higher than the grade of such employee on May 22, 1950.

CHAPTER VII

On page 26, under general provisions, Defense Department:

SEC. 702. Section 619 of the Defense Appropriation Act, 1951, is amended by deleting the words: "(other than on permanent change of station)".	SEC. 619. * * * and appropriations for the Air Force for the current fiscal year shall be available for expenses of temporary duty travel of military personnel and for travel expenses of civilians (other than on permanent change of station) traveling in connection with the activities of the Air Force.

○

Union Calendar No. 1103

81ST CONGRESS
2D SESSION

H. R. 9920

[Report No. 3193]

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 15, 1950

Mr. KERR, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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A BILL

Making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, namely:

CHAPTER I

LEGISLATIVE BRANCH

HOUSE OF REPRESENTATIVES

For payment to Mary Watts Meyer, widow of Herbert A. Meyer, late a Representative from the State of Kansas, $12,500.

CHAPTER II

DEPARTMENT OF JUSTICE

Legal Activities and General Administration

salaries and expenses, general legal activities

For an additional amount for "Salaries and expenses, general legal activities", $400,000.

Immigration and Naturalization Service

salaries and expenses

For an additional amount for "Salaries and expenses", $3,000,000; and appropriations made under this head for the fiscal year 1951 shall be available for the purchase of twenty additional passenger motor vehicles.

DEPARTMENT OF COMMERCE

Bureau of Foreign and Domestic Commerce

export control

For an additional amount for "Export control", $925,000; and the limitation under this head in the Department of Commerce Appropriation Act, 1951, on the amount available for transfer to the appropriation, "Salaries and expenses", Office of the Secretary, is increased from "$40,000" to "$55,000".

Bureau of Public Roads

inter-american highway

For necessary expenses of continuing the survey and construction of the Inter-American Highway, in accordance

with the provisions of the Act of December 26, 1941 (55 Stat. 860), as amended by section 11 of the Federal-Aid Highway Act of 1950, including the purchase, for replacement only, of five passenger motor vehicles, $4,000,000, to remain available until expended.

NATIONAL BUREAU OF STANDARDS

CONSTRUCTION OF LABORATORIES

For an additional amount for "Construction of laboratories", $1,400,000, to remain available until expended; and the amount of the contract authorization granted under this head in the Department of Commerce Appropriation Act, 1951, is reduced from "$5,675,000" to "$3,915,000": *Provided*, That the General Services Administrator is authorized to provide for use by the Department of Commerce, without reimbursement, of not to exceed 100,000 square feet of floor space (to be designated by the Secretary of the Navy) of the former United States Naval Hospital, Corona, California, as a guided-missiles laboratory, and thereafter $1,540,000 of the amounts appropriated under this head shall be available for (1) such modifications, improvements, and equipment of existing buildings and facilities at said location, as are necessary to permit their use for a guided-missiles laboratory (which shall be in lieu of the new construction authorized for such purpose by Public Law 386, approved October 25, 1949), and (2)

other administrative expenses necessary for the establishment of said laboratory, including moving expenses, travel, and transportation of dependents and household effects: *Provided further,* That with the exception of the establishment and operation of a cafeteria, no community or recreational facilities shall be established or operated by the Department of Commerce in connection with said activities except as may be specifically authorized by law.

CHAPTER III

TREASURY DEPARTMENT

Salaries and Expenses, Division of Disbursement

For an additional amount for "Salaries and expenses, Division of Disbursement", $300,000.

Bureau of Customs

For an additional amount for "Salaries and expenses", $225,000.

Secret Service Division

For an additional amount for "Salaries and expenses, Secret Service Division", $82,000: *Provided,* That appropriations granted under this head for the fiscal year 1951 shall also be available for the protection of the vice president.

Salaries and Expenses, White House Police

For an additional amount for "Salaries and expenses, White House Police", $49,000; and appropriations granted under this head for the fiscal year 1951 shall be available

for employment of additional personnel without regard to the limitation contained in section 2 of the Act of August 15, 1950 (Public Law 693).

Coast Guard

OPERATING EXPENSES

For an additional amount for "Operating expenses", $18,600,000; and appropriations made under this head for the fiscal year 1951 shall be available for the purchase of seventy-four additional passenger motor vehicles: *Provided*, That limitations under this head in the Treasury Department Appropriation Act, 1951, are increased as follows: Number of aircraft on hand, from "one hundred and ten" to "one hundred and thirteen"; number of enlisted men detailed for duty at Coast Guard Headquarters, from "thirty" to "fifty-five"; and the amount that may be expended for recreation, amusement, comfort, and contentment of enlisted personnel of the Coast Guard, from "$190,000" to "$250,000".

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

For an additional amount for "Acquisition, construction, and improvements", $7,900,000, to remain available until expended.

RETIRED PAY

Appropriations made under this head for the fiscal year 1951 shall be available for the payment of obligations incurred during prior fiscal years for retired pay.

CHAPTER IV

DEPARTMENT OF LABOR

Bureau of Employment Security

GRANTS TO STATES FOR UNEMPLOYMENT COMPENSATION AND EMPLOYMENT SERVICE ADMINISTRATION

Appropriations made under this head for the fiscal year 1951 shall be available for grants to Puerto Rico and the Virgin Islands in accordance with the Act of June 6, 1933, as amended by the Act of September 8, 1950 (Public Law 775): *Provided,* That in lieu of grants for the purpose of securing office facilities and equipment, the Secretary of Labor may transfer to the Puerto Rico Employment Service any Veterans Employment Service office facilities and properties within Puerto Rico, including records, files, and office equipment.

FEDERAL SECURITY AGENCY

Office of Education

PROMOTION AND FURTHER DEVELOPMENT OF VOCATIONAL EDUCATION

Appropriations made under this head for the fiscal year 1951 shall be available for carrying out the provisions of the Act of March 18, 1950 (Public Law 462).

SOCIAL SECURITY ADMINISTRATION

SALARIES AND EXPENSES, BUREAU OF OLD-AGE AND SURVIVORS INSURANCE

The amount authorized to be expended from the Federal old-age and survivors insurance trust fund for "Salaries and expenses, Bureau of Old-Age and Survivors Insurance", by the Federal Security Agency Appropriation Act, 1951, as amended by the Supplemental Appropriation Act, 1951, is increased from "$53,988,000" to "$56,988,000".

NATIONAL MEDIATION BOARD

ARBITRATION AND EMERGENCY BOARDS

For an additional amount for "Arbitration and emergency boards", $175,000.

CHAPTER V

DEPARTMENT OF THE INTERIOR

SOUTHEASTERN POWER ADMINISTRATION

CONSTRUCTION

For construction and acquisition of transmission lines, substations, and appurtenant facilities, and for administrative expenses connected therewith, in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U. S. C. 825s), as applied to the southeastern power area, including

purchase (not to exceed five) and hire of passenger motor vehicles, $1,850,000, to remain available until expended.

BONNEVILLE POWER ADMINISTRATION

CONSTRUCTION

For an additional amount for "Construction", $1,450,000, to remain available until expended.

CHAPTER VI

DEPARTMENT OF COMMERCE

MARITIME ACTIVITIES

SHIP CONSTRUCTION

The first proviso in the paragraph under the head "United States Maritime Commission, ship construction", in the Independent Offices Appropriation Act, 1951, is hereby amended by striking out "December 31, 1950" and inserting in lieu thereof "June 30, 1951".

Appropriations and contract authority made available to the United States Maritime Commission for ship construction in the fiscal years 1950 and 1951, and in addition thereto $224,000,000, including not to exceed $500,000 which may be transferred to the appropriation "Salaries and expenses" for necessary administrative costs without regard to limitations thereon in said appropriations, and including not to exceed $15,000,000 for the construction, activation, acquisition, and expansion of plants or facilities, on land whether owned by the Government or otherwise owned,

shall be available, without regard to the provisions of the Merchant Marine Act of 1936 with respect to essential trade routes, for construction of such additional dry-cargo vessels as the Secretary of Commerce, with the approval of the President, shall find necessary for national security: *Provided,* That such additional vessels shall not be subject to the first proviso under the head "New ship construction" in the Independent Offices Appropriation Act, 1950, or the last proviso under the head "Ship construction" in the Independent Offices Appropriation Act, 1951.

SALARIES AND EXPENSES

Limitations under the head "Salaries and expenses", United States Maritime Commission, in the Independent Offices Appropriation Act, 1951, are amended as follows: "Maintenance of shipyard facilities" is increased from "$452,000" to "$483,000", and "Maintenance and operation of terminals" is decreased from "$765,000" to "$734,000".

INDEPENDENT OFFICES

Atomic Energy Commission

For an additional amount, $840,000,000, and appropriations made under this head for the fiscal year 1951 shall be available for the purchase of not to exceed two hundred and fifty passenger motor vehicles, including replacements.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

CONSTRUCTION AND EQUIPMENT

For an additional amount for "Construction and equipment", $1,818,000, to remain available until June 30, 1952.

OFFICE OF THE HOUSING EXPEDITER

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $1,200,000; and the last proviso under this head in the Supplemental Appropriation Act, 1951, is amended to read as follows: "*Provided further*, That no part of this appropriation may be used to pay compensation of any employee in a grade higher than the grade of such employee on May 22, 1950, except when such employee is required to fill a bona fide vacancy occurring in such higher grade".

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $10,787,890, of which not exceeding $250,000 shall be available for equipment, and not exceeding $35,000 for travel expenses of special boards; and appropriations granted under this head for the fiscal year 1951 shall be available for the purchase of sixteen passenger motor vehicles of which one shall be for replacement.

SUBVERSIVE ACTIVITIES CONTROL BOARD

SALARIES AND EXPENSES

For necessary expenses, including services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not in excess of $50 per diem for individuals, $175,000.

TENNESSEE VALLEY AUTHORITY

For an additional amount, $64,500,000, to remain available until expended: *Provided,* That purchases and contracts for supplies or services may be made by the Authority during the fiscal year 1951 without regard to any provisions of law relating to advertising or competitive bidding.

CHAPTER VII

DEPARTMENT OF DEFENSE

For additional amounts for appropriations under the Department of Defense, as follows:

OFFICE OF THE SECRETARY OF DEFENSE

"Salaries and expenses", $1,000,000; and the limitation under this head in the Defense Appropriation Act, 1951, on the amount available for emergency and extraordinary expenses, is increased from "$50,000", to "$60,000";

"Emergency fund", $50,000,000;

DEPARTMENT OF THE ARMY

For additional amounts for appropriations under the Department of the Army, as follows:

OFFICE OF THE SECRETARY OF THE ARMY

"Contingencies of the Army", $19,100,000;

FINANCE DEPARTMENT

Finance Service, Army:

"Pay of the Army", $695,200,000;

"Travel of the Army", $17,700,000;

"Finance service", $4,000,000;

QUARTERMASTER CORPS

Quartermaster Service, Army: *Provided*, That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952:

"Welfare of enlisted men", $7,500,000;

"Subsistence of the Army", $343,800,000;

"Regular supplies of the Army", $275,300,000;

"Clothing and equipage", $892,100,000, of which not to exceed $350,000,000 is for payment of obligations incurred under authority granted under this head in the Supplemental Appropriation Act, 1951, to enter into contracts for the purchase of 100,000,000 pounds of raw wool, woolen garments, fabrics, and knitting yarns for use of all the armed services, which contracts shall not

exceed the amount herein appropriated for payment thereunder;

"Incidental expenses of the Army", $34,900,000;

TRANSPORTATION CORPS

"Transportation service, Army", $422,400,000;

SIGNAL CORPS

"Signal service of the Army", $665,100,000: *Provided*, That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

Alaska Communication System:

"Operation, maintenance, and improvement, etc.", $470,000, to remain available until June 30, 1952;

"Construction, etc.", including not to exceed $381,024 for family quarters at the Sheep Mountain, Gulkana, Johnson River, and Harding Lake repeater stations, $464,000, to remain available until expended;

MEDICAL DEPARTMENT

"Medical and Hospital Department", $71,000,000;

CORPS OF ENGINEERS

"Engineer service, Army", $656,600,000: *Provided*, That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

"Military construction, Army", to remain available until expended, $319,700,000;

ORDNANCE DEPARTMENT

"Ordnance service and supplies, Army", $4,003,500,000: *Provided,* That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952: *Provided further,* That the sum of $2,500,000 of the appropriation "Ordnance service and supplies, Army", 1942–1946, shall remain available until June 30, 1951, for the payment of obligations incurred under contracts executed thereunder prior to July 1, 1946;

CHEMICAL CORPS

"Chemical service, Army", $51,100,000: *Provided,* That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

ARMY TRAINING

"Army training", $3,600,000;

UNITED STATES MILITARY ACADEMY

Maintenance and Operation

"Maintenance and operation", $65,000;

CIVILIAN COMPONENTS

"Army National Guard", $28,100,000: *Provided,* That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

"Organized reserves", $10,900,000: *Provided,* That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

DEPARTMENTAL SALARIES AND EXPENSES

Salaries, Department of the Army:

"Office of the Chief of Staff", $370,713;

"Adjutant General's Office", $1,679,965;

"Office of the Inspector General", $4,202;

"Office of the Judge Advocate General", $17,530;

"Office of the Chief of Finance", $118,434;

"Office of the Quartermaster General", $604,154;

"Office of the Chief of Transportation", $178,725;

"Office of the Chief Signal Officer", $483,339;

"Office of the Provost Marshal General", $42,212;

"Office of the Surgeon General", $383,585;

"Office of the Chief of Engineers", $416,013;

"Office of the Chief of Ordnance", $408,576;

"Office of Chief, Chemical Corps", $187,442;

"Office of Chief of Chaplains", $5,110;

"Contingent expenses, Department of the Army", $9,300,000;

EXPEDITING PRODUCTION

"Expediting production", $575,000,000: *Provided*, That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

CIVILIAN RELIEF IN KOREA

For expenses, not otherwise provided for, necessary for emergency relief for the civilian population of Korea, includ-

ing the procurement, operation, maintenance, and distribution of equipment, materials and services for informational and reorientation purposes; travel; and transportation; $100,000,000, to remain available until June 30, 1952: *Provided*, That materials and supplies available to the Department of Defense may be used for the purposes of this appropriation without reimbursement therefor;

DEPARTMENT OF THE NAVY

"Military personnel, Navy", $184,547,000;

"Military personnel, officer candidates", $469,000;

"Navy personnel, general expenses", $21,801,000;

"Military personnel, Marine Corps", $96,323,000;

"Marine Corps troops and facilities", $291,092,000, of which $5,312,000 shall be derived by transfer from "Military personnel, Marine Corps Reserve, 1951";

"Aircraft and facilities", $158,520,000, of which $9,756,000 shall be derived by transfer from "Military personnel, Naval Reserve, 1951", and $4,781,000 by transfer from "Military personnel, Marine Corps Reserve, 1951";

"Construction of aircraft and related procurement", $156,360,000, to remain available until expended: *Provided*, That the aircraft procurement program established under this head in the Defense Appropriation Act, 1951, as increased by the Supplemental Appropriation Act, 1951, is further increased by $156,360,000;

"Ships and facilities", $383,005,000;

"Construction of ships", $335,330,000, to remain available until expended: *Provided,* That the limitations heretofore imposed under this head on the total of obligations to be incurred for construction, conversion, or replacement approved during the fiscal years 1950 and 1951, are repealed: *Provided further,* That the total of obligations incurred for construction, conversion, or replacement, approved between July 17, 1947, and June 30, 1951, shall not exceed $1,064,271,000;

"Ordnance and facilities", $707,009,000;

"Ordnance for new construction", $42,394,000, to remain available until expended: *Provided,* That the limitations heretofore imposed under this head on the total of obligations to be incurred for armor, armament, and ammunition for construction, conversion, or replacement approved during the fiscal years 1950 and 1951 are repealed: *Provided further,* That the total of obligations incurred for armor, armament, and ammunition, for construction, conversion, or replacement, approved between July 17, 1947, and June 30, 1951, shall not exceed $356,123,000;

"Medical care", $27,705,000;

"Civil engineering", $78,701,000: *Provided,* That the limitations on purchase of passenger motor vehicles set forth under this head in the General Appropriation Act, 1951, and

in Sec. 107 of the Supplemental Appropriation Act, 1951, are repealed;

"Public works (new)", $303,378,000, to remain available until expended;

"Research", $32,085,000, to remain available until expended;

"Service-wide supply and finance", $31,436,000;

"Navy stock fund": For additional working capital for the Navy stock fund, established pursuant to the National Security Act Amendments of 1949, $100,000,000;

"Service-wide operations", $48,440,000; and the limitation under this head in the Defense Appropriation Act, 1951, as increased by the Supplemental Appropriation Act, 1951, on the amount available for emergencies and extraordinary expenses, is further increased by $13,445,000;

"Island governments", $625,000;

DEPARTMENT OF THE AIR FORCE

For additional amounts for appropriations under the Department of the Air Force as established or adjusted pursuant to section 403 (b) of the National Security Act of 1947, as amended, as follows:

AIRCRAFT AND RELATED PROCUREMENT

"Aircraft and related procurement", including construction, procurement, and modification of aircraft and equip-

ment, armor and armament, spare parts and accessories therefor; electronic and communication equipment, detection and warning systems, and specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land without regard to section 1136, Revised Statutes, as amended, for the foregoing purposes, and such land, and interests therein, may be acquired and construction prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; industrial mobilization, including maintenance of reserve plants and equipment and procurement planning; and other expenses necessary for the foregoing purposes, including rents, transportation of things and personal services in the field; to remain available until expended; $2,114,700,000: *Provided,* That the aircraft procurement program heretofore established for the fiscal year 1951 is further increased by $2,114,700,000;

MAJOR PROCUREMENT OTHER THAN AIRCRAFT

"Major procurement other than aircraft", including the procurement of supplies, materials, and equipment, and spare parts therefor, not otherwise provided for; electronic and communication equipment; and the purchase of passenger motor vehicles, $583,900,000, to remain available until

expended: *Provided*, That the unexpended balances of funds appropriated to the Air Force for the foregoing purposes in the Defense Appropriation Act, 1951, and the Supplemental Appropriation Act, 1951, shall remain available until expended;

ACQUISITION AND CONSTRUCTION OF REAL PROPERTY

"Acquisition and construction of real property", including construction, installation, and equipment of temporary or permanent public works, military installations, and facilities for the Air Force, as authorized by the Act of March 30, 1949 (Public Law 30, Eighty-first Congress), the Act of October 27, 1949 (Public Law 415, Eighty-first Congress), as amended, the Act of May 11, 1949 (Public Law 60, Eighty-first Congress), and the Act of June 17, 1950 (Public Law 564, Eighty-first Congress), including construction authorized by law, without regard to sections 1136 and 3734, Revised Statutes, as amended, and the land, and interests therein, may be acquired and construction may be prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; expenses necessary for planning projects not otherwise authorized; and hire of passenger motor vehicles; $807,000,000, to remain available until expended;

MAINTENANCE AND OPERATIONS

"Maintenance and operations", including expenses necessary for the maintenance, operation, and administration of the activities of the Air Force, including the United States Air Force Reserve and the Air Reserve Officers' Training Corps; maintenance, operation, and modification of aircraft; transportation of things; rents at the seat of government and elsewhere, and in administering the provisions of 43 U. S. C. 315q payments of rents may be made in advance; repair of facilities; field printing plants; hire of passenger motor vehicles; training and instruction of military and civilian personnel of the Air Force, including tuition and related expenses; pay, allowances and travel expenses of contract surgeons; utility services for buildings erected at private cost as authorized by law (10 U. S. C. 1346), and buildings on military reservations authorized by Air Force regulations to be used for welfare and recreational purposes; rental of land or purchase of options to rent land without reference to section 3648, Revised Statutes, as amended, use or repair of private property, and other necessary expenses of combat maneuvers; organizational clothing and equipage; payment of exchange fees and exchange losses incurred by Air Force disbursing officers or their agents;

losses in the accounts of Air Force disbursing officers as authorized by law (31 U. S. C. 95a; 50 U. S. C. 1705–1707; Act of July 26, 1947, Public Law 248); burial of the dead as authorized by law (10 U. S. C. 916–916d; 5 U. S. C. 103a), including remains of personnel of the Air Force of the United States who die while on active duty, travel allowances of attendants accompanying remains, and acquisition by lease or otherwise of temporary burial sites; conduct of schoolrooms, service clubs, chapels, and other instructional, entertainment, and welfare expenses for enlisted men, not otherwise provided for; expenses for inter-American cooperation as authorized for the Navy by the Act of August 2, 1946 (5 U. S. C. 421f), for Latin-American cooperation; payments of deficiency judgments and interests thereon arising out of condemnation proceedings heretofore instituted; and special services by contract or otherwise, $704,600,000;

MILITARY PERSONNEL REQUIREMENTS

"Military personnel requirements", including pay, allowances, clothing, subsistence, transportation, interest on deposits of enlisted personnel, payment of life insurance premiums, and travel in kind for cadets and all other personnel of the Air Force of the United States on active duty (other than personnel of the Reserve components, including

the Air National Guard, on active duty while undergoing reserve training), including mileage, per diem allowances, reimbursement of actual expenses of travel, transportation of troops, commutation of quarters, subsistence supplies for issue as rations to enlisted personnel, cloth and materials and clothing for issue and sale, and clothing allowances, as authorized by law; and, in connection with personnel paid from this appropriation, for rental of camp sites and local procurement of utility services and other necessary expenses incident to individual or troop movements (including packing and unpacking and transportation of organizational equipment), ice, meals for recruiting parties, monetary allowances for liquid coffee for troops when supplied cooked or travel rations, altering and fitting clothing, and commutation of rations, as authorized by law, to enlisted personnel, including those sick in hospitals (to be paid to the surgeon in charge); transportation, as authorized by law, of dependents, baggage, and household effects of personnel paid from this appropriation; transportation, or reimbursement therefor, of applicants for enlistment between places of acceptance for enlistment and recruiting stations, rejected applicants for enlistment, general prisoners, and discharged cadets; travel pay to discharged military personnel; transportation of persons discharged otherwise than honorably, prisoners upon

each termination of confinement, and persons discharged from Saint Elizabeths Hospital after transfer thereto from the military service; commutation of quarters and rations to applicants for enlistment and general prisoners traveling under orders; rations for civilian employees when entitled thereto, applicants for enlistment, prisoners of war, and general prisoners; subsistence supplies for resale, as authorized by law; commutation of rations, as authorized by regulations, to applicants for enlistment, civilian employees entitled to subsistence at public expense, and general prisoners, while sick in hospitals (to be paid to the surgeon in charge); subsistence of supernumeraries necessitated by emergent military circumstances; issues of toilet articles and barbers' and tailors' material to general prisoners confined at military posts without pay and allowances, applicants for enlistment, and recruits upon first enlistment; civilian clothing and when necessary an overcoat, the cost of all not to exceed $30, for each person upon each release from a military prison, each enlisted man discharged otherwise than honorably, each enlisted man convicted by a civil court for an offense resulting in confinement in a civil prison, and each enlisted man interned, or discharged without internment as an alien enemy; expenses of apprehension and delivery of deserters, stragglers, and escaped military prisoners; payment, in the

discretion of the Secretary, of rewards (not to exceed $25 in any one case) for the apprehension of deserters; confinement of military prisoners in nonmilitary facilities; donations of not to exceed $25 to each civilian prisoner upon each release from a military prison, to each enlisted man discharged otherwise than honorably upon each release from confinement under court-martial sentence, and to each person discharged for fraudulent enlistment; expenses of courts, boards, and commissions; welfare; and medals and other awards; $264,700,000;

RESEARCH AND DEVELOPMENT

"Research and development", $115,000,000, to remain available until expended;

RESERVE PERSONNEL REQUIREMENTS

"Reserve personnel requirements", including pay, allowances, clothing, subsistence, and travel for personnel of the United States Air Force Reserve and the Air Reserve Officers' Training Corps, while on active duty undergoing reserve training or while performing drills or equivalent duty, or undergoing training and instruction; and the procurement and issue of uniforms to institutions necessary for the training of the Air Reserve Officers' Training Corps, as authorized by law; $1,000, to remain available until June 30, 1952: *Provided*, That the unexpended balances of funds

appropriated for the foregoing purposes in the Defense Appropriation Act, 1951, shall remain available until June 30, 1952;

CONTINGENCIES

"Contingencies", $13,110,000.

GENERAL PROVISIONS

SEC. 701. Notwithstanding any other provision of law, no part of any appropriation for the Department of Defense contained in this Act shall remain available until expended unless so provided in the appropriation concerned.

SEC. 702. Section 619 of the Defense Appropriation Act, 1951, is amended by deleting the words: "(other than on permanent change of station)".

SEC. 703. Payments by members of the United Nations for equipment, materials or services furnished in joint military operations shall be credited to proper appropriations of the Department of Defense in the manner authorized by section 403 (b) of the Mutual Defense Assistance Act of 1949.

SEC. 704. The Secretary of Defense is authorized to employ not to exceed ten persons of outstanding experience and ability without compensation; and he is authorized to provide by regulation for the exemption of such persons from the operation of sections 281, 283, 284, 434, and 1914 of title 18 of the United States Code and section 190 of the Revised

Statutes (5 U. S. C. 99). Persons appointed under the authority of this section may be allowed transportation and not to exceed $15 per diem in lieu of subsistence while away from their homes or regular places of business pursuant to such employment.

SEC. 705. Funds heretofore or hereafter appropriated under the appropriation title "Naval Petroleum Reserve Numbered 4, Alaska", Department of the Navy, shall be available for exploration and prospecting on Government-owned lands adjacent to the Naval Petroleum Reserve Numbered 4.

SEC. 706. None of the firearms, pistols, revolvers, shells, and cartridges purchased with funds appropriated for the military departments by this or any other Act shall be subject to any tax imposed on the sale or transfer of such articles.

CHAPTER VIII

CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS

For payment of claims for damages as settled and determined by departments and agencies in accord with law, audited claims certified to be due by the General Accounting Office, and judgments rendered against the United States by United States district courts, the United States Court of Claims, and the Indian Claims Commission, as set forth

in House Document Numbered 729, Eighty-first Congress, $5,274,034, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or in certain of the settlements of the General Accounting Office or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided,* That no judgment herein appropriated for shall be paid until it shall have become final and conclusive against the United States by failure of the parties to appeal or otherwise: *Provided further,* That, unless otherwise specifically required by law or by the judgment, payment of interest wherever appropriated for herein shall not continue for more than thirty days after the date of approval of this Act.

CHAPTER IX

GENERAL PROVISIONS

SEC. 901. No part of any appropriation contained in this Act, or of the funds available for expenditure by any corporation included in this Act, shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United

States by force or violence: *Provided,* That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further,* That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation or fund contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: *Provided further,* That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further,* That, as applicable to the Department of the Interior, nothing in this section shall be construed to

require an affidavit from any person employed for less than sixty days for sudden emergency work involving the loss of human life or destruction of property, and the payment of salary or wages may be made to such persons from applicable appropriations for services rendered in such emergency without execution of the affidavit contemplated by this section.

SEC. 902. Appropriations and funds made available by this or any other Act for salaries, wages, or compensation, for the fiscal year 1951, shall also be available for payment of any tax with respect thereto which is imposed on any department, agency, corporation, or other instrumentality of the United States, as an employer, by the provisions of the Social Security Act Amendments of 1950.

SEC. 903. This Act may be cited as the "Second Supplemental Appropriation Act, 1951".

Union Calendar No. 1103

81ST CONGRESS
2D SESSION

H. R. 9920

[Report No. 3193]

A BILL

Making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

By Mr. KERR

DECEMBER 15, 1950

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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81ST CONGRESS, 2d Session } SENATE { DOCUMENT No. 242

PROPOSED SUPPLEMENTAL APPROPRIATION—GENERAL SERVICES ADMINISTRATION

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A PROPOSED SUPPLEMENTAL APPROPRIATION FOR THE GENERAL SERVICES ADMINISTRATION, FISCAL YEAR 1951, AMOUNTING TO $1,834,911,000

DECEMBER 15 (legislative day, November 27), 1950.—Read; referred to the Committee on Appropriations and ordered to be printed

THE WHITE HOUSE,
Washington, December 14, 1950.

The PRESIDENT OF THE SENATE.

SIR: I have the honor to transmit herewith for the consideration of the Congress a proposed supplemental appropriation for the fiscal year 1951 in the amount of $1,834,911,000 for the General Services Administration.

The details of this proposed appropriation, the necessity therefor, and the reasons for its submission at this time are set forth in the attached letter from the Director of the Bureau of the Budget, with whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., December 14, 1950.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration a proposed supplemental appropriation for the fiscal year 1951 in the amount of $1,834,911,000 for the General Services Administration, as follows:

GENERAL SERVICES ADMINISTRATION

STRATEGIC AND CRITICAL MATERIALS

For an additional amount for carrying out the Strategic and Critical Materials Stock Piling Act of July 23, 1946 (50 U. S. C. 98), $1,834,911,000.

As a result of recent international developments, stockpiling of strategic and critical materials must be further accelerated. Restrictions already adopted or to be introduced on the less essential uses of strategic and critical materials will make increased supplies available for stockpiling. In addition, procurement contracts for stockpiling should be placed for the purpose of assuring the acquisition of materials which might not otherwise be available for stockpiling and of increasing the production of strategic and critical materials where necessary to meet revised national defense goals. This supplemental appropriation is needed to assure adequate funds for stockpiling such additional quantities of materials.

I recommend that the foregoing proposed supplemental appropriation be transmitted to the Congress.

Respectfully yours,

F. J. LAWTON,
Director of the Bureau of the Budget.

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81st Congress, 2d Session | SENATE | Document No. 244

CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A REVISION OF A PROPOSED SUPPLEMENTAL APPROPRIATION INVOLVING AN INCREASE OF $1,709,903.33 IN THE AMOUNT NECESSARY FOR PAYMENT OF CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS RENDERED AGAINST THE UNITED STATES

DECEMBER 19, 1950.—Read; referred to the Committee on Appropriations and ordered to be printed

THE WHITE HOUSE,
Washington, December 18, 1950.

The PRESIDENT OF THE SENATE.

SIR: I have the honor to transmit herewith for the consideration of the Congress a revision of a proposed supplemental appropriation involving an increase of $1,709,903.33 in the amount necessary for payment of claims for damages, audited claims, and judgments.

The details of this revised proposed appropriation, the necessity therefor, and the reason for its submission at this time are set forth in the letter of the Director of the Bureau of the Budget and the attachment thereto, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., December 18, 1950.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration a revision of a proposed supplemental appropriation involving an increase of $1,709,903.33 in the amount necessary for payment of claims for damages, audited claims, and judgments rendered against the United States, as provided by various laws, together with such amounts as may be necessary to pay indefinite interest and costs and to cover increases in rates of exchange as may be necessary to pay claims in foreign currency. The proposed supplemental appropriation for payment of claims and judgments in my letter of November 30, 1950 (H. Doc. 729, 81st Cong.), should be deleted and the following inserted in lieu thereof:

CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS

For payment of claims for damages as settled and determined by departments and agencies in accord with law, audited claims certified to be due by the General Accounting Office, and judgments rendered against the United States by United States district courts and the United States Court of Claims, and the Indian Claims Commission, as set forth in Senate Document Numbered 244 and House Document Numbered 729, Eighty-first Congress, $6,983,937.29, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or in certain of the settlements of the General Accounting Office or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided*, That no judgment herein appropriated for shall be paid until it shall have become final and conclusive against the United States by failure of the parties to appeal or otherwise: *Provided further*, That unless otherwise specifically required by law or by the judgment, payment of interest wherever appropriated for herein shall not continue for more than thirty days after the date of approval of this Act.

This revised supplemental appropriation is to include funds for the payment of additional claims for damages, and judgments against the United States rendered by the Court of Claims and United States district courts, processed since the submission contained in House Document 729.

The details of the proposed appropriation are set forth in the attached letters from the various departments and agencies.

In accordance with the provisions of law providing for this submission, I recommend that this proposed appropriation be transmitted to the Congress.

Respectfully yours,

F. J. LAWTON,
Director of the Bureau of the Budget.

SUMMARY OF AMOUNTS INCLUDED IN THE PROPOSED SUPPLEMENTAL APPROPRIATION TO PAY CERTAIN CLAIMS AND JUDGMENTS

DAMAGE CLAIMS

Department of Commerce: Bureau of Public Roads	$118, 223. 08
Department of Defense: Department of the Army	9, 559. 29
Total, damage claims	127, 782. 37

JUDGMENTS

Court of Claims:	
Reconstruction Finance Corporation	690. 55
Department of Agriculture	4, 481. 18
Department of Defense:	
Department of the Army	9, 700. 00
Department of the Navy	38, 123. 78
Department of the Air Force	686, 851. 77
Treasury Department	574, 615. 53
Total, Court of Claims judgments	1, 314, 462. 81
United States district courts:	
Department of Defense:	
Department of the Army	228, 623. 48
Department of the Navy	16, 553. 50
Department of the Air Force	1, 196. 52
Post Office Department (to be paid from postal revenues)	21, 284. 65
Total, United States district court judgments	267, 658. 15
Total, judgments	1, 582, 120. 96
Grand total	1, 709, 903. 33

DETAIL OF PROPOSED SUPPLEMENTAL APPROPRIATION TO PAY CERTAIN CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS RENDERED AGAINST THE UNITED STATES, TO BE PAID OUT OF THE GENERAL FUND OF THE TREASURY UNLESS OTHERWISE INDICATED

DAMAGE CLAIMS

Department of Commerce

bureau of public roads

Department of Commerce,
Bureau of Public Roads,
Washington 25, December 6, 1950.

Hon. F. J. Lawton,
Director, Bureau of the Budget,
Washington 25, D. C.

My Dear Mr. Lawton: Pursuant to the provisions of section 10 of the Defense Highway Act of 1941, approved November 19, 1941 (55 Stat. 765), as amended by Public Law No. 146, Seventy-eighth Congress, approved July 13, 1943, there is set forth below a brief statement of the claim of the California Department of Public Works, Division of Highways, for the cost of repairs to 21.58 miles of State Routes 7–B and 53–A, B in Solano County damaged by the contract hauling of materials used in the construction of the Fairfield-Suisun Army Airfield east of Fairfield.

I have considered, ascertained, adjusted, and determined said claim accruing subsequent to May 27, 1941, and presented to the Bureau of Public Roads within the period specified in said act of Congress as follows:

1. Damages occurred between July 1, 1942, and December 31, 1945.
2. Investigations by engineers of the Bureau of Public Roads disclose substantial damage to 21.58 miles of State Routes 7–B and 53–A, B in Solano County by reason of the contract hauling of materials.
3. A claim was submitted by the California Division of Highways in the amount of $129,427.39. Of this amount, $11,204.31 is considered ineligible for reimbursement.
4. The claim is recommended for payment in the amount of $118,223.08.

I hereby certify that the amount due claimant is based on information of record obtained by engineers of the Bureau of Public Roads after an investigation of the damages claimed.

Very truly yours,

W. J. O'Leary,
Acting Commissioner of Public Roads.

DEPARTMENT OF DEFENSE

DEPARTMENT OF THE ARMY

DEPARTMENT OF THE ARMY,
Washington 25, D. C., December 8, 1950.

Hon. FREDERICK J. LAWTON,
Director, Bureau of the Budget,
Washington, D. C.

DEAR MR. LAWTON: In accordance with the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), as amended, to provide for the settlement of claims for damage to or loss or destruction of property, or personal injury or death, caused by military personnel or civilian employees acting within the scope of their employment, or otherwise incident to noncombat activities of the Army, this Department has considered, ascertained, adjusted, and determined, in an amount in excess of $1,000, the claim hereinafter specified. The claim arose March 31, 1949, and was presented in writing within 1 year after the accident or incident out of which it arose or otherwise within the time provided in the act. The amount due the claimant, which the claimant has agreed to accept in full satisfaction and final settlement of any and all claims, is the sum of $1,211.88, all of which is property damage covered by insurance. However, claimant states no payment has been received from the insurers. Accordingly, the claim is hereby certified as having been determined to be of the character contemplated by the provisions of the act for report to Congress for appropriation for payment thereof. A brief statement of the character of the claim, the amount claimed, and the amount reported are as follows:

Pacific Far East Line, Inc., 141 Battery Street, San Francisco 4, Calif. On March 31, 1949, military personnel or civilian employees of the Army, acting within the scope of their employment, negligently damaged the S. S. *Swarthmore Victory* while attempting to move a United States Army vessel *FS–292* from her berth at Apra Harbor, Guam, thereby resulting in a loss to claimant in the amount of $1,211.88.

Amount claimed, $1,211.88; amount reported, $1,211.88.

Sincerely yours,

FRANK PACE, Jr.,
Secretary of the Army.

DEPARTMENT OF THE ARMY,
Washington 25, D. C., December 8, 1950.

Hon. FREDERICK J. LAWTON,
Director, Bureau of the Budget,
Washington, D. C.

DEAR MR. LAWTON: In accordance with the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), as amended, to provide for the settlement of claims for damage to or loss or destruction of property, or personal injury or death, caused by military personnel or civilian employees acting within the scope of their employment, or otherwise incident to noncombat activities of the Army, this Department has considered, ascertained, adjusted, and determined, in an amount in excess of

$1,000, the claim hereinafter specified. The claim arose on July 7–8, 1948, and was presented in writing within 1 year after the accident or incident out of which it arose or otherwise within the time provided in the act. The amount due the claimant, which the claimant has agreed to accept in full satisfaction and final settlement of any and all claims, both insured and uninsured, is the sum of $8,347.41. Of this sum, $8,099.78 represents the amount claimant has been paid by Despard & Co., Inc., 1 Cedar Street, New York, N. Y., representing the underwriters, and, therefore, this portion is a subrogation claim presented by the insured for the underwriters. Accordingly, the claim is hereby certified as having been determined to be of the character contemplated by the provisions of the act for report to Congress for appropriation for payment thereof. A brief statement of the character of the claim, the amount claimed, and the amount reported follows:

Waterman Steamship Corp., c/o Despard & Co., Inc., 1 Cedar Street, New York, N. Y. At Inchon, Korea, on July 7–8, 1948, military personnel and civilian employees of the Army, acting within the scope of their employment, negligently damaged claimant's S. S. *Governor Comer* when it rendered assistance to the Government-owned tug *LT–1*, which was drifting in a gale, thereby resulting in a loss to claimant in the amount of $8,347.41.

Amount claimed, $8,347.41; amount reported, $8,347.41.

Sincerely yours,

FRANK PACE, Jr.,
Secretary of the Army.

JUDGMENTS

TREASURY DEPARTMENT,
Washington 25, December 15, 1950.

DIRECTOR, BUREAU OF THE BUDGET,
Washington 25, D. C.

SIR: An appropriation will be required for the payment of judgments presented to this Department which have been rendered by the Court of Claims and the United States district courts, in an aggregate amount of $1,582,120.96, together with such amount as may be necessary to pay indefinite interest and costs, as follows:

Court of Claims (schedule A)	$1, 314, 462. 81
United States district courts:	
Payable from the general fund (schedule B)	246, 373. 50
Payable from postal revenues (schedule C)	21, 284. 65
Total	1, 582, 120. 96

These totals are itemized by departments in the appended schedules. However, the amounts shown on schedules A and B may be included in one appropriation to be established under Treasury Department. It is, of course, understood that none of the judgments shall be paid until the right of appeal has expired.

Very truly yours,

GEO. H. JONES,
Acting Budget Officer, Treasury.

SCHEDULE A

Judgments rendered by the Court of Claims against the United States—Treasury Department, Fiscal Service, Bureau of Accounts, Division of Bookkeeping and Warrants

Docket No.	Claimant	Amount	Date of judgment	Presented to Treasury	Nature of claim
	INDEPENDENT OFFICES				
	RECONSTRUCTION FINANCE CORPORATION				
49333	Gwilym T. Morgan	$690.55	Feb. 6, 1950	Dec. 12, 1950	Back pay.
	EXECUTIVE DEPARTMENTS				
	DEPARTMENT OF AGRICULTURE				
49305	Hobart E. Crone	4,481.18	Nov. 7, 1950	Nov. 28, 1950	Payment of back salary.
	DEPARTMENT OF DEFENSE				
	DEPARTMENT OF THE ARMY				
49130	William Hart Sibley, receiver for Briarcliff Laundry, Inc	9,700.00	Oct. 2, 1950	Nov. 15, 1950	Dry-cleaning contract.
	DEPARTMENT OF THE NAVY				
48886	William C. Jarrett	257.36	Oct. 2, 1950	Nov. 28, 1950	Travel allowance.
47935	Commercial Iron Works	37,866.42	Nov. 7, 1950	Nov. 10, 1950	Reimbursement under contracts.
	Total	38,123.78			
	DEPARTMENT OF THE AIR FORCE				
48969	Trans World Airlines, Inc	36,851.77	Dec. 5, 1950	Dec. 6, 1950	Army Air Corps. Requisitioning of TWA planes.
46259 48699 49257 49263 49264 49491 49492	Douglas Aircraft Co., Inc	650,000.00	Nov. 30, 1950	Dec. 1, 1950	Reimbursement of costs under contract.
	Total	686,851.77			

SCHEDULE A—Continued

Judgments rendered by the Court of Claims against the United States—Treasury Department, Fiscal Service, Bureau of Accounts, Division of Bookkeeping and Warrants—Continued

Docket No.	Claimant	Amount	Date of judgment	Presented to Treasury	Nature of claim
	EXECUTIVE DEPARTMENTS—Continued				
	TREASURY				
46669	Southern California Edison Co., Ltd., a corporation, Harris Trust & Savings Bank, a corporation, and Security-First National Bank of Los Angeles, a national banking association, as trustees, under that certain trust indenture dated as of Oct. 1, 1923, and supplemental indentures thereto.	[1] $532, 520. 84	July 10, 1950	Nov. 27, 1950	Requisitioning of electric generator units.
48734	Edward J. Mitchell	1, 113. 72	Nov. 7, 1950	Dec. 1, 1950	Overtime pay, customs inspector.
46830	William Yule	2, 045. 20	Dec. 5, 1950	Dec. 6, 1950	Customs inspector, overtime pay.
46838	Mrs. Mina I. Wood	595. 34	do	do	Do.
46877	Emile J. Bourgoin	16, 097. 61	do	do	Do.
46970	Franklin M. Gray	1, 636. 91	do	do	Do.
46987	Philip A. Groves	1, 065. 80	do	do	Do.
47005	Fred L. Conlogue	15, 017. 17	do	do	Do.
47032	Richard D. Baker	198. 22	do	do	Do.
47415	James T. Kerr	987. 09	do	do	Do.
47809	Clarence F. Brown	2, 539. 85	do	do	Do.
48770	Robert W. Patterson	797. 78	do	do	Do.
	Total	574, 615. 53			

[1] Plus interest on $675,000 at 4 percent per annum from Nov. 24, 1942, to Aug. 14, 1945, and on $825,000 from Feb. 1, 1943, to Aug. 14, 1945.

SCHEDULE B

Judgments rendered by the United States district courts against the United States—Treasury Department, Fiscal Service, Bureau of Accounts Division of Bookkeeping and Warrants

Docket No. and court	Claimant	Amounts awarded in decree and interest as authorized		Date of judgment	Transmittal by Justice	Act and nature of claim
		Principal	Costs			
EXECUTIVE DEPARTMENTS						
DEPARTMENT OF DEFENSE						
DEPARTMENT OF THE ARMY						
Admiralty 158-318, Southern District of New York.	Ralph K. Ridderstrom, as administrator of the goods, chattels, and credits of Ralph A. Ridderstrom, deceased.	$5,000.00	----------	Nov. 6, 1950	Nov. 27, 1950	Public Vessels Act. Personal injuries, etc.
Civil 180-R, Middle District of North Carolina.	Clarence Latimore McCoy, Lloyd Walker McCoy, Reginald Frederick McCoy, Donald Whitfield McCoy, Charles S. McCoy.	2,800.00	----------	Nov. 17, 1950	Nov. 28, 1950	Tucker Act. Damage to leased property.
Civil 35-458, Southern District of New York.	Henry H. Sobol	750.00	----------	June 28, 1950	------do------	Tucker Act. Contract for gas masks.
Civil 45-640, Southern District of New York.	John J. Barton Corp	2,500.00	----------	Nov. 10, 1950	Dec. 7, 1950	Federal Tort Claims Act. Damage to cargo of potatoes.
Admiralty 161-275, Southern District of New York.	Det Forenede Dampskibs-Selskab, A/S, as owner of the M/S *Bolivia*, her engines, boilers, etc.	190,000.00	----------	Nov. 29, 1950	-----do-------	Public Vessels Act. Collision damage to *Bolivia*.
No. 5847, Territory of Alaska	John C. Flanders, Jr	5,000.00	----------	Sept. 9, 1950	-----do-------	Federal Tort Claims Act. Personal injuries.
Civil 1636, District of New Mexico	F. Du Wayne Blankley	22,500.00	$73.48	Oct. 14, 1950	Dec. 4, 1950	Do.
	Total	228,623.48				
DEPARTMENT OF THE NAVY						
Admiralty 138-170, Southern District of New York.	Dominick Tafuri	3,835.92	----------	Nov. 21, 1950	Nov. 30, 1950	Public Vessels Act. Personal injuries.
No. 25121-G, Northern District of California.	H. R. Lelo et al	12,717.58	----------	Nov. 9, 1950	Nov. 27, 1950	Public Vessels Act. Salvage services rendered.
	Total	16,553.50				
DEPARTMENT OF THE AIR FORCE						
Civil 1169, Eastern District of Virginia	The Virginian Railway Co., a corporation	1,196.52	----------	Nov. 15, 1950	Nov. 22, 1950	Tucker Act. Claim for freight charges.
	Total	1,196.52				

SCHEDULE C

Judgments rendered by the United States district courts against the United States—Treasury Department Fiscal Service, Bureau of Accounts, Division of Bookkeeping and Warrants—Payable out of postal revenues

Docket No. and court	Claimant	Amounts awarded in decree and interest as authorized		Date of judgment	Transmitted by Justice	Act and nature of claim
		Principal	Costs			
POST OFFICE DEPARTMENT						
(Payable out of postal revenues)						
Civil 8189, Eastern District of Pennsylvania.	Lavenia Hodges	$21,065.87	$218.78	Sept. 20, 1950	Nov. 24, 1950	Federal Tort Claims Act. Personal injuries.
	Total	21,284.65				

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81ST CONGRESS } SENATE { DOCUMENT
2d Session } { No. 245

ACCESS ROADS TO MILITARY AND DEFENSE FACILITIES

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A SUPPLEMENTAL ESTIMATE OF APPROPRIATION IN THE AMOUNT OF $8,000,000 FOR THE DEPARTMENT OF COMMERCE FOR THE CONSTRUCTION OF ACCESS ROADS TO MILITARY AND DEFENSE FACILITIES, UNDER AUTHORITY OF SECTION 12 OF THE FEDERAL-AID HIGHWAY ACT OF 1950

DECEMBER 19, 1950.—Read; referred to the Committee on Appropriations and ordered to be printed.

THE WHITE HOUSE,
Washington, December 18, 1950.

The PRESIDENT OF THE SENATE.

SIR: I have the honor to transmit herewith for the consideration of the Congress a proposed supplemental appropriation for the fiscal year 1951 in the amount of $8,000,000 for the Department of Commerce.

The details of the proposed appropriation, the necessity therefor, and the reasons for its submission at this time are set forth in the attached letter from the Director of the Bureau of the Budget, with whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., December 18, 1950.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration a proposed supplemental appropriation in the amount of $8,000,000 for the Department of Commerce, as follows:

DEPARTMENT OF COMMERCE

BUREAU OF PUBLIC ROADS

Access Roads (Act of September 7, 1950)

For expenses necessary in carrying out the provisions of section 12 of the Federal-Aid Highway Act of 1950, including $2,000,000 for payments of obligations incurred pursuant to the contract authorization granted by said section, to remain available until expended, $10,000,000, of which $2,000,000 shall be derived by transfer from the unexpended balance of funds heretofore appropriated for carrying out the provisions of section 6 of the Defense Highway Act of 1941 (55 Stat. 765).

Section 12 of the Federal-Aid Highway Act of 1950 authorized an appropriation of $10,000,000 for the construction of access roads to military and defense facilities; of this amount, $2,000,000 was made immediately available as contract authorization. The access roads program is a national defense program of an emergency nature, and the authorization of $10,000,000 was included in the regular Federal-aid legislation so as to provide stand-by authority which could be made available promptly to meet national defense requirements. Roads to be constructed or improved under this authorization must be certified to the Secretary of Commerce by the Secretary of Defense as important to national defense.

The Department of Defense is now proceeding rapidly to review and certify access roads projects. Many defense facilities are built in isolated locations where existing roads are inadequate, and improvements to access roads are necessary to speed up traffic movements incident to construction or operation of these facilities. This proposed appropriation would provide for the full authorization of $10,000,000 for the construction of access roads as the need arises.

I recommend that the foregoing proposed supplemental appropriation be transmitted to the Congress.

Respectfully yours,

F. J. LAWTON,
Director of the Bureau of the Budget.

Mr. McCORMACK (at the request of Mr. PRIEST) was given permission to extend his remarks in two separate instances and in each to include extraneous matter.

Mr. LARCADE asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. THORNBERRY asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. POULSON asked and was given permission to extend his remarks in four instances, and in one to include an article by Charles Wilson.

Mr. BROWN of Ohio asked and was given permission to extend his remarks and include a resolution adopted this morning by the Republican conference.

Mr. BROWN of Ohio asked and was given permission to extend his remarks and include a condensed version of a speech made by Joseph P. Kennedy before the University of Virginia Law School Forum several days ago as it appeared in the press.

Mrs. ST. GEORGE asked and was given permission to extend her remarks and include an article.

Mr. D'EWART asked and was given permission to extend his remarks and include two resolutions.

Mr. LANE asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. MANSFIELD (at the request of Mr. PRIEST) was given permission to extend his remarks and include a newspaper article.

Mr. WILLIS asked and was given permission to extend his remarks and include an article, notwithstanding the fact that it may exceed two pages of the RECORD.

Mr. SMATHERS asked and was given permission to extend his remarks and include an editorial appearing in the St. Petersburg Times.

Mr. MADDEN asked and was given permission to extend his remarks and include an editorial.

Mr. MULTER (at the request of Mr. ADDONIZIO) was given permission to extend his remarks.

Mr. SHAFER asked and was given permission to extend his remarks in two instances.

SECOND SUPPLEMENTARY APPROPRIATION BILL, 1951

Mr. CANNON, from the Committee on Appropriations, reported the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes (Rept. No. 3193), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. TABER reserved all points of order on the bill.

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes; and pending that motion, I should like to reach an agreement with the gentlemen from New York [Mr. TABER] as to time for general debate. It occurs to me that in view of the general approval of this bill on both sides of the aisle, we can get along with 2 hours of general debate.

Mr. TABER. I have felt that we really ought to have 3 hours. There is quite a good deal to the bill, and the Members will probably ask for very considerable explanations. I think not to exceed 3 hours would be about right.

Mr. CANNON. Mr. Speaker, I ask unanimous consent that general debate be limited to 3 hours, one-half to be controlled by the gentlemen from New York and one-half by myself.

The SPEAKER. Is there objection to the request of the gentlemen from Missouri?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 9920, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. CANNON. Mr. Chairman, we are submitting the second supplemental appropriation bill for 1951. It is essentially a preparedness bill. It carries a total appropriation of $18,033,304,424, a reduction of $47,741,610 below the estimate of $18,081,046,034 submitted by the Bureau of the Budget.

The bill is principally for military preparedness, but a few items are included of an urgent nature for civilian purposes and it is largely from these that the small deduction has been made.

The amount provided in this bill for national defense will bring the aggregate amount provided for the armed services for the current fiscal year to a total of approximately $42,000,000,000. It will increase the over-all provisions for the fiscal year, in round figures, to $78,000,000,000. The total national income for the fiscal year is estimated to be between $41,000,000,000 and $42,000,000,000.

The amount we are now adding is for financing an immediate expansion of manpower and the stepping up of production, later to be augmented in step with developing needs and objectives. The details of the national defense portion of the bill will be supplied to you, to the extent that publicity limitations permit, by the able chairman of the subcommittee having jurisdiction of Defense Department appropriations, the Honorable GEORGE MAHON. Likewise, details will be supplied on other chapters of the bill by the several chairmen of the respective subcommittees having jurisdiction.

The funds here provided may be said to be the first increment of all-out preparedness for any eventuality. Other bills extending and expanding the program will follow as our Armed Forces and those of our allies develop production and mobilization for national defense. We have made some progress heretofore along these lines, hoping vainly, as it now appears, that somehow, in some way, the necessity for drastic action might be averted.

After Pearl Harbor the United States was a second-rate power. England had a much larger navy, France a much greater army, and Hitler, decisively, a much larger air force. When the war closed we had more ships, more tanks, and more planes than all the rest of the world combined. We were the mightiest military power, at the close of the hostilities in 1945 that history has ever known. Our descent from that commanding position was rapid and precipitous. The instant firing ceased Members of Congress were buried beneath an avalanche of letters and telegrams demanding, requesting that the boys be brought home. Industry wanted its employees back, mothers wanted their sons back, wives wanted their husbands back. There was a universal demand that the boys come home. It was insistent and peremptory.

"The war is over. There is no reason to keep them longer. They are needed here at home," and it seemed sensible and logical.

Military commanders and State Department diplomats pleaded for time for orderly demobilization. They pointed out the importance of completing negotiations and the necessity for maintaining occupation until treaties could be written. But importunities would not be denied and we brought them home. I recall that when the budget came up the Committee on Appropriations recommended and the Congress approved the elimination of $100,000,000 for maintenance of troops abroad in order to compel more rapid demobilization.

They flocked to transports so hurriedly and precipitately that they left war material scattered all over Europe and Asia. Some got back without rifles. "What use was a gun. We were not going to fight any more." There would never be another war in all the tides of time.

But other powers did not demobilize. Almost unnoticed they continued to draft and drill additional troops. Their factories worked feverishly in day and night shifts turning out war supplies. And as their diplomatic representatives become more aggressive and insolent we suddenly realize that while we turned our attention to peaceful pursuits they have more tanks, more guns, more planes, more submarines than us and our allies—that we have lost our position of military preeminence and it has been taken over by totalitarian government pledged to destroy free government and democratic institutions.

Belatedly we are beginning to look to our priming. But it is an uphill task. It involves vast expenditures. War was never cheap. It is estimated that when the cost of World War II is paid to the last pension, the total expenditures for all war purposes will reach at least $1,000,300,000,000. The cost of the next war will be infinitely more. The pay of a private is now almost four times what it was in that war. The cost of an antiaircraft gun has gone up from $10,000 to $300,000. A division which could then be financed for $14,000,000 now costs $74,000,000. And everything else in proportion.

Our course that does not take into consideration the agony and the suffering and the destitution? And it does not take into consideration the havoc which the next war will bring to America and her people and their possessions. In the last two world wars America was untouched. Not a brick was dislodged. Not a railroad rail was moved. Not a bridge blown up. But in the next war, however alert we are, however well prepared, some of the thousands of enemy planes will seep through and our centers of population and production, our shining cities will be reduced to rubble. It has happened to every other country. This time it will come to America. And no section, however remote, will escape. Even if we win the clock of civilization will be moved back 500 years.

We must not have another war. But how can it be avoided? We cannot retire to our own backyard to be isolated and surrounded and exterminated. We cannot run away. England tried that.

I sat in the gallery of the House of Commons and listened to Chamberlain. He had come back from Germany where he had traded everything he had and much more to Hitler for one moment's brief respite, and some time afterward Hitler utterly destroyed the very building, the historic House of Parliament, in which we sat at that time.

The prophet, Amos, a thousand years before, had foretold exactly what would happen:

He that fleeth shall not flee away, and he that escapeth shall not be delivered.

We have only one alternative—to become so strong that no enemy will dare attack us. We must arm; we must arm as rapidly as we can; we must be as strong as possible as soon as possible, and this bill proposes a start in that direction. At the same time, the bill is not in a strict technical sense a war bill. We report it out today in the hope that by adopting this program, that by implementing these plans we can avoid war.

We labor under another heavy handicap. During the war we developed a spending psychology. And from 1945 down to date, instead of husbanding our resources as a bankrupt nation should have done, instead of reducing the public debt periodically and materially, we have spent for civilian purposes, for things which we could have done without, such vast sums that we are financially crippled today as we face the stern necessity of a war for survival. We could not deny ourselves. We adopted every new program. When the committee attempted to stem the tide on the floor we were outvoted on both sides of the aisle. We now have difficulty in refunding the bonds that are now outstanding. Month after month, when we made a drive to sell bonds, we found that more bonds had been cashed than had been sold. We face the necessity for the sternest economy. No money must be spent that is not accutually and imperatively required either in this bill or those which follow.

We are fortunate in having General Marshall at the head of the Department of Defense; we are exceedingly fortunate that he continues hale and hearty under the added burdens placed upon him. With his great capacity, his wide experience, his patriotic devotion we can rest assured that no precaution will be overlooked and every step will be taken to insure the defense of the Nation. To his great wisdom and superior leadership go the lions share of the credit for the direction and successful prosecution of the last war. We could not have been better captained and commanded. We placed our faith in him before and we place our faith in him again. And so far as I am concerned it will be the policy of the House Committee on Appropriations to follow his tried and proven leadership. To that end we invite the cooperation of every Member of this House regardless of party or other affiliation.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. TABER. Mr. Chairman, I yield myself 22 minutes.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I wish the gentleman would discuss what the procurement divisions of the Army and the Air Corps have done with the billions of dollars heretofore appropriated since Korea, so that we may find out if there is any negligence on the part of those agencies in getting the matériel which is necessary to arm our troops properly in order to carry on the war.

Mr. TABER. I will try to get to that to a certain extent as I go along.

Mr. Chairman, the State Department and the President have failed to protect the interests of the United States at Yalta, Potsdam, and in our dealings with the United Nations and China. The continuous appeasement of the Communist groups to the point where the threat of Communist domination of the world has become so apparent that even they could not avoid it has brought us to the most serious situation that I can recall in all the history of the United States.

We are faced with a situation where we must have many controls, many priorities and where the people of America must dig in and must cease to quibble about having a good time but work continuously, pay taxes and avoid the purchase of everything except absolute necessities all the time.

We have had presented to us appropriations involving close to 17 billions of dollars for the military. We must provide them. On the other hand, we must not provide for things that are not needed and that we can get along without. We need guns, ammunition, airplanes, tanks and ships and the men who will be required to man and operate them. We must have courage enough to tell folks back home that the military forces must have first call on everything, and that they must do without.

The Army must proceed in an orderly way and it cannot be allowed to waste this money by careless contracting and foolish and extravagant construction and operation.

We must expect just as much common sense in approaching this problem on the part of the Armed Services as we ask of the ordinary people.

When General Marshall tells us, as he has, that this is not the time to put universal military training into effect because it would absolutely interfere with and prevent the building up of our Armed Forces through the draft system which is already established, we must stop talking about that and get down to the things that are presently needed. If we need universal military training in the progress of events, that will be time enough to provide it. For my own part I shall be guided by what seems to be, for the time being, in the best interests of the military forces. That will be my aim as I go along.

The sacrifices that the people are asked to make are as nothing to what would hit them with Soviet control and Soviet domination over their lives. There must come on the part of the people a realization of the choice that faces them:

Slavery to a heartless and pitiless dictator like Stalin, or great sacrifices to preserve the liberties of mankind. And when those liberties are preserved this time, let us try to win the peace.

These estimates which relate to the dollars required for the military have been approved just as they were presented by the armed services.

They were approved in the amount of $51,000,000 for the Department of Defense, Office of the Secretary; $9,210,865,000 for the Department of the Army; $2,979,371,000 for the Navy; $4,603,011,000 for the Air Force.

This was all a cash appropriation. We have made enormous provisions for the Army for the construction of tanks. We have tried to supply, insofar as it might be possible, deficiencies in ammunition and munitions so that everything that is required, insofar as they are able to say that they can provide it, will be covered. There undoubtedly were a great many cases where individual items could have been cut without interfering with the efficiency of the armed services or the war effort, but there are so many other things that will have to be provided in the days to come, resulting from the turn of events in Korea and the more acute foreign situation, that it was impossible for us at this time to make the kind of a review that would permit us to pare down any of the items that were presented to us by the military.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from California.

Mr. JOHNSON. Due to the fiscal policies of this administration there has been a spiral of inflation ever since 1945, as the gentleman knows. Is the gentleman able to tell the House how much of the cost of these various items aggregating about $16,000,000,000 is due to the inflation that we have had in the last few years?

Mr. TABER. Oh, I would say, taking in mind the whole picture—and I think we might just as well take in mind in-

creases in compensation that have been given to the members of the Armed Forces and the allotments that have been provided, and all that sort of thing—that at least 30 percent of this $16,000,000,000 is due to the inflation that has been allowed to progress over the last 5 years. The whole bill calls for $17,820,000,000, as will be seen by referring to page 2 of the report. Six billion dollars of that, I have not the slightest doubt, is due to increases in prices and inflation.

The big items in this bill are, for the Army, $1,553,000,000 over-all for the Quartermaster Corps; $716,000,000 for increased personnel in the Army; $655,000,000 for the Signal Corps; $656,000,000 for the engineers; $4,000,000,000 for the Ordnance Department; and $575,000,000 for the provision of production facilities in the Army.

In the Navy the big items run as follows: For increased personnel, $184,000,000; for Marine Corps troops and facilities, $291,000,000; for Navy aircraft and related facilities, $158,000,000; for construction of aircraft, $156,000,000; for ships and facilities, $383,000,000; for construction of ships, $335,000,000; for Navy ordnance $707,000,000; for new public works, $303,000,000; and for the Navy's stock fund, $100,000,000.

For the Air Force there is provided for procurement of aircraft $2,114,000,000; for major procurement other than aircraft, $583,000,000; for acquisition and construction of real property, $807,000,000; for maintenance and operation, $704,000,000; for armed personnel, $264,000,000; and for research, $115,000,000. The total for the Air Force is $4,603,000,000.

I would say the percentage of build-up is perhaps greatest for the Army. There we are providing a force which at the end of the fiscal year on June 30 will be somewhere in the neighborhood of 1,250,000 men. Maybe they will go faster than that.

The committee has been guided unanimously, I would say, by this rule, that we should ask the military what they are able to use and then should try to provide it if it seems at all reasonable. It did not seem to be wise to the committee to provide a lot of things that they did not ask for or that they did not know whether they wanted or were not ready to order. We might all say without any difficulty that perhaps they will need much more than this, but until they can, in an orderly way, within their own organization tell you what they need and how to go after it, there is no reason for the committee to make provision. For my own part I am ready to let them have what they need. I recognize that we have not over a very considerable period taken advantage of many opportunities that we have had to produce real results. There has been a tremendous quantity of equipment turned over to the Chinese, which got into the hands of the Chinese Communists. On the other hand, most of that is not equipment which we could use today because it is not of the type of modern construction necessary today. Many of the things we had in the last war, like the Garand rifle and a few things of that sort, and most of the Navy ships are in shape so that they can be used. The aircraft, with the single exception of the B–29 which was in vogue at that time, is not of the most modern character. Frankly it staggers one when one sees what an airplane costs today because the cost is so terrific. It also staggers one when you see what ordnance costs. Those figures are so high it is almost unbelievable. But just as I said before we are faced with the job of supplying these funds to cure the situation that the country finds itself in just as rapidly as we can supply them and just as freely as they may be asked for. We cannot, and we all might just as well recognize it, go into the kind of military production we would like to have. We cannot build up the personnel of the Armed Forces as fast as we would like, because there is a limit to the number that can be trained as we go along, but we have to do the best we can and take advantage of what our folks in our own Military Establishment can figure out can be used and produced.

Frankly, I have been disappointed in the situation in Korea. On the other hand, once in a while there is a glimmer of satisfaction. Such a glimmer came a couple of days ago when three or four of our jet planes went up against 24 of the Russian jet planes and cleaned them out. No country in the world has the capacity to produce that this country has, and that is because we have the free-enterprise system. We must preserve that system. We must expect it to do more than it has ever done before in the light of military production, and we must expect of the men who are called to service that same kind of superservice that has been given in the past, and which is the only thing which can today preserve the liberties of mankind.

The CHAIRMAN. The time of the gentleman from New York [Mr. TABER] has expired.

Mr. CANNON. Mr. Chairman, I yield 35 minutes to the gentleman from Texas [Mr. MAHON], chairman of the Subcommittee on Appropriations for the Department of Defense.

Mr. MAHON. Mr. Chairman, if Members will pardon me I will not yield for questions until I have completed my remarks. The large charts which are before you will be of interest and I shall make reference to them and have them reproduced in the RECORD at the conclusion of my statement.

URGENCY OF PROGRAM FOR NATIONAL DEFENSE

Mr. Chairman, this is the hour which we had hoped could be averted. With the adoption of this appropriation bill we are coming closer than ever to the firm conclusion that full-scale war may possibly be upon us at any moment. It would seem certain that without a rapid build-up of our military strength all-out war would become inevitable. But with the military posture which this bill will help make possible, we still cling tenaciously and desperately to the hope that global war can be averted. Yet our hope is sustained by a very tenuous thread and with every passing day the danger looms larger.

Let us hope that Winston Churchill was right when he said in the House of Commons a few days ago, speaking with caution and reservation, that it was his hope and belief that the free world still had a breathing spell, still had time to build up its strength.

Obviously we do not know what the future holds. It may well be that the Soviets themselves do not know when and if they will launch an all-out shooting war against the free world.

The program to gain strength which we are now placing into operation. this present significant trend of events in the United States and in Western Europe, might conceivably cause the Soviets to change their timetable. But we cannot be deterred by that fact. We know that at this time, and during the coming months, there can be no possible security for us in weakness.

MILITARY FUNDS PROVIDED IN FISCAL YEAR 1951

I should like to proceed immediately to a discussion of the military portion of this supplemental appropriation bill. The question may well be asked, why this supplemental request at this time inasmuch as we passed a supplemental appropriation bill in August of this year giving the Army, Navy, and Air Force an additional supplemental sum of $11,000,000,000 for this fiscal year, bringing the total to twenty-five billion. Yet in the light of events the answer to that question seems obvious. It will be more profitable to discuss the way this supplemental request fits into the pattern of our defense effort.

Here is the picture as you will note from the chart which is now before you. For the current fiscal year—fiscal year 1951—we have already provided in the regular bill and in the first supplemental, as previously indicated, the sum of $25,000,000,000 for the Army, Navy and Air Force and for the office of the Secretary of Defense. In this supplemental request, $16,800,000,000 is superimposed upon the previous figure; and when this bill becomes the law, the Department of Defense will have available for the current fiscal year the total sum of $42,000,000,000. I am speaking in round figures in order to facilitate an over-all understanding of the sums involved.

The question arises, is the $17,000,000,000 provided in this bill adequate for the present. The Joint Chiefs of Staff in preparing the supplemental request now before you were not restrained by an arbitrary ceiling figure which had been imposed at the White House. The Joint Chiefs were free to use their own judgment and to request those sums which they felt were required for the defense of the country. The Committee was careful to advise officials that Congress stood ready and willing to provide any sum, regardless of size, which might be required for the defense and security of the United States. Defense officials stood solidly on the ground that $17,000,000,000 is all that should be requested of Congress by the Department at this time. The Committee has adopted the program recommended by General Marshall, the Secretaries of Army, Navy, and Air Force and the Joint Chiefs of Staff.

be shorter than we think. Not 1 hour should be wasted. And as we devote our whole energies to the task of self-preservation and peace we can pray every day for the best while we rapidly prepare for the worst. The quick passage of the bill now before us is a significant part of the job at hand.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I am pleased to yield.

Mr. FORD. Can the gentleman state whether the item for construction of ships amounting to $335,330,000-plus contains funds for the completion or the initiation of the so-called giant aircraft carriers?

Mr. MAHON. No. We have provided for about 18 additional minesweepers, and for accelerating the work on our submarines and our killer-type submarines, and on the reconversion of ships like the *Essex*, now being reconverted at a cost of $32,000,000 and many other programs. This carrier, which you speak of, is in the mill, a large carrier, but not as big as the one previously canceled. But the Navy is moving along in a very splendid way in its program. Of course the new carrier is in the cards, unless some change unknown to the committee is made.

Mr. FORD. What they anticipate is a reactivation of the ships of the class of the *Essex* and *Independence?*

Mr. MAHON. Not only that, but what is more important, they are being reconverted and made capable of carrying the heavier jet type of plane.

Mr. SADLAK. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. SADLAK. My question was along the line of the question asked by the gentleman from Michigan [Mr. FORD]. I thought the gentleman said in his statement that there was no additional provision for planes for the naval branch of the service, but simultaneously he said that more ships were being taken out of "mothballs."

Mr. MAHON. That is right. Earlier in the year we provided large sums to the Navy for the aircraft program. Admiral Sherman did not request at this time any additional aircraft for the Navy. Further requests will come next year. Many undelivered naval aircraft are in process of manufacture for the Navy.

The Air Force has available today $8,000,000,000 with which to pay for undelivered aircraft. The Navy does not have as big a program, but the Navy program is considerable. The Navy is in good hands and is growing in strength on the sea and in the air.

Mr. SADLAK. My question came because the gentleman was saying that more ships would be taken out of mothballs.

Mr. MAHON. Yes; and the airplanes have already been ordered to accommodate those ships.

Mr. SADLAK. There has already been provision for additional carriers, which would be taken out of mothballs?

Mr. MAHON. Yes. You have to order these airplanes a couple of years in advance.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. NICHOLSON. I would like to ask if this chart, which calls for about $17,000,000,000, is for carrying on the program that we have now.

Mr. MAHON. It is for carrying on and expanding the program which we now have. It is for laying the groundwork of the program which could rapidly be expanded for the defense of the country.

Mr. NICHOLSON. Could the gentleman tell me how much of this goes into actual war effort?

Mr. MAHON. If the gentleman will look at the third column of figures, he will see "Procurement of tanks, ships, guided missiles," and all those things. There is provided $18,800,000,000 for that purpose in the current fiscal year. Eight billion in the bill pending before us is for procurement. During the previous years we have had to pay our men and feed them and clothe them and transport them and maintain and operate ships, aircraft, and so forth. The largest single portion of the money, percentagewise, had gone for that purpose prior to the Korean action.

Mr. NICHOLSON. I would like to ask the gentleman from Texas if this money we have been appropriating for the last 4 years has been entirely for upkeep of the Army, the Navy, and Air Force.

Mr. MAHON. No. The membership should not be confused or upset by the fact that since World War II, and prior to this year, we had appropriated $50,000,000,000 for national defense. Twenty billion dollars has gone to feed and clothe the Armed Forces. I do not know of anybody who did not want to feed and clothe them. About $13,000,000,000 has gone for maintenance of these operations. Heavens knows we realize now that we should have spent the money to maintain and operate them.

Eight billion dollars went for such things as procurement of combat weapons and those expenditures are paying dividends now, and in the future they will pay much larger dividends. Two billion dollars of the money went for research and development which kept us ahead of the world in the matter of military research and development and in the modernization of weapons. So we have nothing to apologize for with respect to where the money has gone. Some of us wish only that more had been provided in view of the situation which confronts us today.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield further?

Mr. MAHON. I yield.

Mr. NICHOLSON. I am only trying to do something to help out my country. As the gentleman must realize——

Mr. MAHON. I do not speak in impatience of the gentleman from Massachusetts; I speak with some impatience of the lack of understanding on the part of some of our people, not including my fellow House Members, as to where the money has gone. If we had disbanded the Army, Navy, and Air Force and taken the $50,000,000,000 and spent it for tanks, airplanes, and other fighting weapons with nobody to man them or care for them, placing them in warehouses or out in the weather where they would deteriorate and become obsolete, the critics would of course have ample basis to complain. Rusted, obsolete weapons and no men in uniform to man them would really place us in a perilous position. All we need is more light and information on what we have been trying to do. The gentleman has been cooperating in doing what he could as a Member of the House for the defense of the country and I commend him. A speech I made on August 11, 1950, and which appears in the CONGRESSIONAL RECORD fully covers this subject.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield further?

Mr. MAHON. I yield.

Mr. NICHOLSON. I agree 100 percent with what the gentleman from Texas has said. I want my country to be armed 100 percent. All I want to know is whether this money is going for our own protection or for somebody else.

Mr. MAHON. All this money is for the defense of the United States, and I am sure we are unanimous in supporting this request. An expensive rearmament program is unavoidable, yet it is far and away the greatest tragedy in our time that in a world where so much needs to be done for the uplifting and betterment of mankind we should be compelled to give our best resources and our finest energies to the horrible demands of war.

I wish to insert at this point for reproduction in the RECORD the two charts to which I have referred and yield back the balance of my time.

Department of Defense, fiscal year 1951

APPROPRIATIONS

[Billions of dollars]

Department	Regular bill	First supplemental	Second supplemental	Total
Army	4.1	3.2	9.2	16.5
Navy	4.1	3.8	2.9	10.8
Air Force	4.8	4.6	4.6	14.0
Office, Secretary of Defense	.3	.1	.1	.5
Total	13.3	11.7	16.8	41.8

Military strength—end of year

[In thousands]

Department	Regular bill	First supplemental	Second supplemental	Total
Army	630	204	429	1,263
Navy (including Marines)	452	270	133	855
Air Force	416	132	103	651
Total	1,498	606	665	2,769

Department of Defense, fiscal year 1951—Army, Navy, Air Force, and Office of Secretary of Defense

[Billions of dollars]

	Regular bill	First supplemental	Second supplemental	Total	
				Amount	Percent
Military personnel: Pay, subsistence, clothing, etc	4.3	1.3	1.7	7.3	17
Operations and maintenance of forces, plant and equipment	3.6	2.6	3.9	10.1	24
Procurement of tanks, planes, ships, and other major equipment	3.1	7.1	8.6	18.8	45
Public works	.3	.4	1.4	2.1	5
Research and development	.6	.1	.4	1.1	3
Civilian components, industrial mobilization, etc	1.4	.2	.8	2.4	6
Total	13.3	11.7	16.8	41.8	100

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH.]

(Mr. WIGGLESWORTH asked and was given permission to revise and extend his remarks.)

Mr. WIGGLESWORTH. Mr. Chairman, the future of America, the future of the western world, depends in the last analysis upon military power. Given sufficient military power it may be unnecessary to use it. Without sufficient military power America cannot speak or act effectively, under present conditions. Military power offers the best hope of avoiding war and carries with it the best assurance of dealing effectively with the enemy in the event of war.

Five years ago, Mr. Chairman, America had military power in abundance. We had defeated all of our enemies. We were the most powerful military nation in the world's history. We were in a position to assure almost any peace that seemed just and lasting.

That opportunity, Mr. Chairman, was literally thrown away. Unconditional surrender; decisions at Tehran, Yalta, and Potsdam; the dismantling of fighting forces and equipment; and the dismal failure of our Far Eastern policy have all contributed.

Today, despite $19,000,000,000 worth of weapons and equipment supposedly in our possession at the end of World War II; despite $144,000,000,000 heretofore appropriated in the fiscal years 1946 to 1951, inclusive, for national defense and related activities; we are confronted by a picture calling for immediate action.

We know that our great reserve of military power is not adequately mobilized; that there has been little or no mobilization by our allies; that the administration still declines to accept aid from the Chinese Nationalists; and that the Communist Government in Soviet Russia, controlling directly or indirectly one-fifth of the world's surface and one-third of mankind, today, according to highest authority, has no less than 175 divisions under arms, one-third mechanized; with some 40,000 tanks, some 19,000 planes and several hundred submarines.

Mr. Chairman, surely the aims of the Communist Government in Russia must be clear to all by this time. The teachings of Lenin, avowed frequently by Stalin, 36 broken promises during a period of 12 years, 45 vetoes, aggression through satellites and general conduct at the United Nations, must have convinced any who heretofore have had any doubts.

The dangers of inaction or lack of effective action in America, Mr. Chairman, must be equally clear to all. We must prepare. National preparedness is called for and called for immediately.

We were unprepared, Mr. Chairman, prior to World War I. We were unprepared prior to World War II. We were unprepared prior to Korea. It must not happen again.

The recent record of the administration is not encouraging.

I have not personally read the report of the Johnson committee in the Senate, but I am told that it states flatly that the defense agencies have been lagging behind the public in awareness of the emergency, and that it charges specifically inefficiency, negligence, lack of coordination and, above all, complacency, in such important agencies as the Munitions Board, the General Services Administration, and the National Production Authority.

We know, Mr. Chairman, that over $700,000,000 provided on two occasions by this Congress for an expanded Air Force were in each instance impounded by the President and not allowed to be spent.

We know that $22,000,000 similarly provided by the Congress for Air Force research and development were impounded in the same manner. The hardship resulting from this action is referred to specifically in the hearings.

We know that at the end of the last fiscal year more than $1,700,000 provided by this Congress for national defense purposes and subject to obligation or expenditure during that fiscal year had not been obligated as of its close on June 30, 1950.

Mr. Chairman, I have listened day after day to almost every word of the testimony in connection with this bill and I want to emphasize that we were told specifically and repeatedly that the requests now under consideration do not represent a war budget or a full mobilization budget. On the contrary they represent, and I quote, "an initial step in a planned 4-year effort to give us some measure of security against disaster."

Mr. Chairman, it is clear from the off-the-record if not from the on-the-record testimony before your committee that vital items in the pending appropriations were estimated for back in the autumn before the recent developments in Korea and that they are entirely inadequate.

It is evident that the whole program now under consideration is based on a time element assumption which may prove as false as the assumptions made in respect to the North Koreans and the Communist Chinese in Korea.

In other words, Mr. Chairman, the program before us today in important respects is too little and too slow.

Mr. Chairman, the record of the past is history; the record of the present and the immediate future is in our hands.

The emergency confronting America at this time calls for realistic and speedy action. The time element is vital. We must achieve a level of preparedness essential for the security and defense of America at the earliest possible moment. We must prepare, despite the enormous drain on our economy and the possible effects upon our standards of living.

As the Chancelor of Germany recently said, "There will be lasting peace only when the United States is able to confront the Soviet Union with a military force, to attack which the Russians would consider truly dangerous. Only then will the time have come to talk peace, lasting peace, with the Russians."

Mr. Chairman, there is no time to lose.

As has been pointed out, the bill before us carries the enormous total of $17,820,000,000.

The greater portion, or $16,844,000,000, goes to the three armed services, bringing their over-all total for the present fiscal year up to $41,841,000,000.

Of this total the Army will receive $16,400,000,000, the Navy $10,700,000,000, and the Air Force $13,900,000,000.

Under leave to extend my remarks, I include at this point in the RECORD four tables giving over-all break-downs for appropriations during the fiscal year 1951:

Preliminary distribution of appropriated and requested obligational authority, by major cost category

BASIC AND FIRST SUPPLEMENTAL APPROPRIATIONS

[Millions of dollars]

Cost category	Army	Navy	Air Force	Department of Defense	Total	
					Amount	Percent
I. Military personnel costs	2,125	1,943	1,544		5,612	22
II. Operation and maintenance	2,301	2,004	1,827		6,132	25

Preliminary distribution of appropriated and requested obligational authority, by major cost category—Continued

BASIC AND FIRST SUPPLEMENTAL APPROPRIATIONS—continued

[Millions of dollars]

Cost category	Army	Navy	Air Force	Department of Defense	Total	
					Amount	Percent
III. Major procurement and production costs	1,958	3,158	5,152		10,268	41
Aircraft	37	2,320	4,285		6,642	27
Ships and harbor craft	46	229			275	1
Other	1,875	609	866		3,350	13
IV. Acquisition and construction of real property	180	149	367		696	3
V. Civilian components	383	203	188		774	3
VI. Research and development	140	249	224	[1] 120	733	3
VII. Industrial mobilization	59	15	14	[1] 70	158	1
VIII. Establishment-wide activities	103	50	27	358	538	2
Retired pay				342	342	1
Office of the Secretary of Defense				11	11	
Interservice and Department-wide projects	103	50	27	5	185	1
Wool reserve						
Civilian relief in Korea						
Prisoners of war						
Contingencies				[1] 85	85	
Total	7,250	7,770	9,343	633	24,996	100

PROPOSED SECOND SUPPLEMENTAL APPROPRIATION

I. Military personnel costs	1,135	287	265		1,687	10
II. Operation and maintenance	2,473	603	859		3,935	23
III. Major procurement and production costs	4,550	1,580	2,463		8,593	51
Aircraft	17	91	1,780		1,888	11
Ships and harbor craft	4	377			381	2
Other	4,529	1,112	684		6,325	38
IV. Acquisition and construction of real property	320	303	807		1,430	8
V. Civilian components	39		23		62	
VI. Research and development	112	154	121	[1] 50	437	3
VII. Industrial mobilization	67	34	53		154	1
VIII. Establishment-wide activities	515	18	13	1	547	3
Retired pay						
Office of the Secretary of Defense				1	1	
Interservice and Department-wide projects	29	18	13		60	
Wool reserve	350				350	2
Civilian relief in Korea	100				100	1
Prisoners of war	36				36	
Contingencies						
Total	9,211	2,979	4,603	51	16,844	100

TOTAL, FISCAL YEAR 1951

I. Military personnel costs	3,260	2,230	1,809		7,299	17
II. Operation and maintenance	4,774	2,607	2,686		10,067	24
III. Major procurement and production costs	6,508	4,738	7,615		18,861	45
Aircraft	54	2,411	6,065		8,530	20
Ships and harbor craft	50	606			656	2
Other	6,404	1,721	1,550		9,675	23
IV. Acquisition and construction of real property	500	452	1,174		2,126	5
V. Civilian components	422	203	211		836	2
VI. Research and development	252	403	345	[1] 170	1,170	3
VII. Industrial mobilization	126	49	67	[1] 70	312	1
VIII. Establishment-wide activities	618	67	40	359	1,085	3
Retired pay				342	342	1
Office of the Secretary of Defense				12	12	
Interservice and Department-wide projects	132	67	40	5	245	1
Wool reserve	350				350	1
Civilian relief in Korea	100				100	
Prisoners of war	36				36	
Contingencies				[1] 85	85	
Total	16,461	10,749	13,946	684	41,841	100

[1] Departmental aud/or category distribution to be determined by Secretary of Defense.

NOTE.—Details will not necessarily add to totals because of rounding.

Department of Defense proposed second supplemental appropriation, fiscal year 1951, by object classification

[Millions of dollars]

	Army		Navy		Air Force		OSD		Total	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
01 Personal services, military	705.1	8	220.4	7	204.9	4			1,130.4	7
01 Personal services, civilian	263.9	3	93.1	3	30.5	1	0.5	1.0	388.0	2
Total	969.0	11	313.5	10	235.4	5	.5	1.0	1,518.4	9
02 Travel	22.6		18.0	1	32.6	1	.1	.2	73.3	1
03 Transportation of things	229.0	2	23.0	1	33.8	1			205.8	2
04 Communication services	2.7		2.8		3.1				8.5	
05 Rents and utility services	11.4		4.1		5.9				21.4	
06 Printing and reproduction	8.6		5.3		5.4				19.3	
07 Other contractual services	1,156.1	13	350.1	12	341.2	7	.2	.4	1,847.6	11
08 Supplies and materials	3,744.1	41	711.0	24	562.5	12			5,017.6	30
09 Equipment	2,790.6	30	1,291.9	43	2,696.9	59	.2	.4	6,779.6	40
10 Lands and structures	276.7	3	258.9	9	686.2	15			1,221.8	7
11 Grants, subsidies, and contributions										
12 Pensions, annuities, and insurance claims			.8						.8	
13 Refunds, awards, and indemnities	.1								.1	
14 Interest										
15 Taxes and assessments										
16 Investments and loans										
Undistributed							50.0	98.0	50.0	
Total	9,210.9	100	2,979.4	100	4,603.0	100	51.0	100.0	16,844.2	100

The Army request is based on 1,263,000 enlisted men, 105,000 officers, and 526,000 civilians; 16 divisions, if you please, or only one division more than those which we now have under arms.

The Navy request is based on 688,000 officers and enlisted men, 424,000 civilians, and a moderate increase in ship production, conversion, and acceleration.

The Air Force request is based on 651,000 officers and enlisted men and some 250,000 civilians, with the exception of 68 wings by the end of the present fiscal year and 84 wings during the following months.

You will notice from the tables inserted in the RECORD, that ordnance and expediting construction account for about 50 percent of the request by the Army; that ordnance, ships and facilities, both ship and air, account for some 60 percent of the request by the Navy; and that aircraft and other procurement account for about 50 percent of the request by the Air Force.

Mr. Chairman, the request under consideration is an enormous one. It has been impossible to consider the various items in detail because of the time available. The presentation by the services has been rapid. The consideration by your subcommittee has been rapid.

As appears from a table which I shall insert at this point in the RECORD, as of November 30 last, only 52 percent of the sums previously made available to the services had been obligated, and only 17 percent of the total had been expended. This of course suggests the possibility of postponement and further consideration of certain items at a subsequent date.

Department of Defense—Summary statement of estimated obligations and expenditures as of Nov. 30, 1950

	Total appropriated fiscal year 1951	Unobligated carry-over from fiscal year 1950, transfers, reimbursements, etc.	Total available	Obligations	Percent obligated	Expenditures
Department of the Army	$7,250,390,143	$174,861,308	$7,425,251,451	[1] $4,328,908,755	58	[2] $1,336,902,245
Department of the Navy	7,769,957,300	608,331,225	8,376,288,525	3,765,166,736	45	1,706,163,238
Department of the Air Force	9,342,787,000	47,835,593	9,390,622,593	5,071,262,522	54	1,014,616,597
Office of Secretary of Defense	633,300,000		633,300,000	200,794,872	32	132,540,164
Total	24,996,434,443	829,028,126	25,825,462,569	13,366,132,885	52	4,190,222,344

[1] Obligation amount for military construction is through Oct. 31, 1950, only.
[2] Through Nov. 22, 1950, except amount for military construction which is through Oct. 31, 1950, only.

Source: Budget Division, Secretary of Defense, Dec. 11, 1950.

It should also be noted that many of the items have been computed on a new mathematical basis called scoop. This almost defies analysis.

There are undoubtedly items in this bill which are too heavy and which may not be justified. There are undoubtedly other items that should receive further consideration. I have in mind particularly the requests of the Army Quartermaster Corps and the requests for construction items by all three defense services.

I repeat, however, that items of major importance in this request, items which are fundamental to the over-all programs of all three services, are clearly insufficient. Further, requests in the near future appear to be imperative.

In view of the vital importance of time, knowing that there will be further opportunity for review as further requests are presented to your community, I support the national defense items in this bill and urge the administration to accelerate the mobilization program at the earliest possible moment.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to my able colleague from Massachusetts.

Mr. NICHOLSON. In this program are we taking care of a 70-group air force?

Mr. WIGGLESWORTH. The present program contemplates proceeding from 58 wings to 68 wings in the present fiscal year, and from there to 84 wings in the course of the next year.

Mr. NICHOLSON. If that is so, have we taken care of the Air Force for which we voted in the Eightieth Congress?

Mr. WIGGLESWORTH. I do not know how I can answer the gentleman any more specifically than to repeat what I have said, that at the present time we have some 58 wings, that we are proposing to increase to 68 wings in the next 6 months and to 84 wings in the course of the succeeding year.

Mr. NICHOLSON. If we pass this appropriation bill, if we do all these things, can the President then say, "We do not need it"? That is all I want to know.

Mr. WIGGLESWORTH. The President always has the power to impound appropriations.

Mr. NICHOLSON. My friend from Massachusetts, with whom I agree almost all the time, must realize that we voted in the Eightieth Congress to have a 70-group Air Force, and the President would not permit it. Is he going to permit it now?

Mr. WIGGLESWORTH. I tried to emphasize that in my opening remarks. I certainly hope with my friend from Massachusetts that there will be no repetition of the procedure to which he refers.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. JOHNSON. Can the gentleman advise whether or not in the amount provided for the Army there is an item for military defense assistance program, and if so, how much is it?

Mr. WIGGLESWORTH. The gentleman refers to the overseas program?

Mr. JOHNSON. Yes.

Mr. WIGGLESWORTH. As far as I know there is nothing specifically provided here for that program. Those funds are taken out of appropriations already made, as I understand it.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mrs. ROGERS of Massachusetts. What is being done for the Navy regarding the carriers and the naval air arm?

Mr. WIGGLESWORTH. I think there is nothing specifically here for naval aircraft, but there is considerable for other items in which I think the gentlewoman is interested.

Mrs. ROGERS of Massachusetts. Does that mean another carrier?

Mr. TABER. Carriers would come under ships. There are $335,000,000 for additional new ship construction.

Mrs. ROGERS of Massachusetts. What is a ship? What is the definition of a ship?

Mr. TABER. It might be a carrier, or it might be a destroyer, or minesweeeper, or a battleship.

Mrs. ROGERS of Massachusetts. Does the gentleman know whether that carrier which was authorized and on which there was a cut-back will be built now?

Mr. TABER. I do not understand that it will, but I understand that another carrier of very substantial size will be in process.

Mrs. ROGERS of Massachusetts. Some of the Army have stated that the carriers are very much needed in this Korean situation and that it would have been a rather different story if we had had those carriers.

The CHAIRMAN. The time of the gentlewoman from Massachusetts has expired.

(Mr. TOWE asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. TOWE. Mr. Chairman, I intend to vote for this bill. However, I am not convinced that this large sum of money is to be spent in a manner which will give us the defense we so badly need. The Congress has already appropriated many billions of dollars, yet we are now told by Secretary Marshall that the police action in Korea has bled us white of materials and men. What is the plan? What is our policy? I ask again, where are we going? How can we be assured that this $18,000,000,000 will bolster our defense? It now appears that no matter how many billions we spend we cannot get any assurance that the countries who are receiving material assistance from us either can or will fight when the chips are down. The time has come to devote all our energies toward defending ourselves. Perhaps if we start now we can defend the Western Hemisphere. In this connection I invite your attention to a speech made by former Ambassador Kennedy. What he says begins to make sense to me .

I understand that the President this very day will declare a national emergency. The administration talks of total mobilization, yet only this morning we read that Secretary Marshall advises against total mobilization.

While the administration is trying to make up its mind what its policy is abroad and at home, our men are fighting and dying. That is a terrific sacrifice, made largely because those who have directed our foreign policy have not known what they were doing.

On the home front many substantial businesses, from which workers earn their living, and from which the Government secures great tax revenue, will be put out of business unless there is some definite plan adopted immediately. In many instances manufacturers and others are unable to get material and at the same time defense orders are not available. All of this results from the fact that this administration does not seem to know what it is doing.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. SHEPPARD].

Mr. SHEPPARD. Mr. Chairman, in the time that has been allocated to me I am not going to be able to discuss some of the intricate portions of the bill. However, I can say to you that this bill has been closely scrutinized by the combined membership of your committee, the regular subcommittee which ordinarily has cognizance of these appropriations was joined by the members of the Deficiency Appropriations Committee and also the members of the so-called central committee.

So the conclusions reached and presented to you here today are not those exclusively of the subcommittee ordinarily handling appropriations of this character. You have heard very fine explanations of the details and particular items of the bill from those who preceded me, however, I would like to call your attention to something which I think is significant, and which will have something to do with your thinking on the subject in the future. The present bill which calls for $16,800,000,000 is of course an estimated and splendid program, although very belatedly presented to the Congress. Now listen to this: Developing from the first regular appropriation bill and the first supplemental bill there is, as nearly as I can establish at the moment, some $10,000,000,000 that have not yet been obligated or expended by the military. When you take the $10,000,000,000 in that category, and if this bill is passed, which I am sure it will be, and add to this $16,800,000,000, you have a total of $26,800,000,000 as the result. During the course of the hearings I addressed inquiries to the present inflated cost of procurement as related to dollars provided by our appropriation bills and the appropriations contemplated by this bill. From information furnished to me by the Procurement Division and those in authority and supervising the work of the Department of Defense, it is very definitely indicated that because of lack of controls in this country our present dollar has declined in its procurement value at least 20 percent, if not more. I think as much as 28 percent, but let us use 20 percent.

Consequently I would like to call to your attention as forcibly as I can that you must not anticipate that the moneys we have appropriated are going to buy dollar wise what a dollar normally would buy unless you have a controlled economy, if the present standars of procurement and the inflated position of the dollar prevails during the time required to make the future procurements. You are going to lose at least 20 percent of the value of the dollar, which is a very low estimate, but will at this rate amount to $5,300,000,000 of dollar buying loss. Do not forget this when regulations for control are requested.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. SHEPPARD. I yield.

Mr. HINSHAW. In that $10,000,000,000 which the gentleman mentioned a moment ago as having been brought forward from other bills, does that include money which was not expended for the purpose of purchasing aircraft for the Air Force?

Mr. SHEPPARD. That includes any and all of the money that has not been expended and all that is left in the category as unexpended.

Mr. HINSHAW. In other words, that is the money that was impounded, which was to purchase the additional airplanes?

Mr. SHEPPARD. Not necessarily. Not in my mathematics. The impounding to which the gentleman refers had to do with the 70-group aircraft program and does not include this money. I am referring specifically to the money appropriated in the last regular bill and the first supplementary bill, on which my information is there is approximately $10,000,000,000 unexpended or unobligated. So you add that to what we presently have under consideration, and it would make $28,000,000,000 plus, which would be subject to the slip-off of 20 percent. This result would make a total of about $5,300,000,000 loss.

Mr. HINSHAW. If the gentleman does not have the breakdown, perhaps the gentleman could put it in the RECORD.

Mr. SHEPPARD. In order to do that I would have to call back all the procurement officers and ask them what particular amounts were left out of respective categories of expenditure, to wit, planes and various and sundry others. This could not be done in time for this RECORD.

Mr. HINSHAW. But there has been a withholding of these funds from commitment?

Mr. SHEPPARD. I cannot accept your statement literally. I will say that the money you refer to has either not been obligated or expended for the cause it was intended by the Congress and at the time.

Mr. HINSHAW. I recall the words of the gentleman's committee in the report on the appropriation bill last spring.

Mr. SHEPPARD. I thank the gentleman.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. SHEPPARD. I yield.

Mr. BROOKS. I know the gentleman's concern, as is mine, is that we get this defense program moving at top speed at the first possible moment and that we turn out the airplanes, tanks, ammunition, and equipment that we so badly need as rapidly as is possible. That leads me to this question: Is there any major request for appropriation by the defense departments which was turned down by your committee?

Mr. SHEPPARD. Not one.

Mr. BROOKS. This bill represents substantially everything that the Defense Department needs at the present time?

Mr. SHEPPARD. That is exactly right, insofar as their testimony before the committee is concerned.

If you want to get expeditious consideration of your dollar expended, there is one way, and that is to have an immediate declaration of emergency and put everybody to work, instead of just a few of them in Korea.

The CHAIRMAN. The time of the gentleman from California [Mr. SHEPPARD] has again expired.

Mr. TABER. Mr. Chairman, I yield 7 minutes to the gentleman from Kansas [Mr. SCRIVNER].

(Mr. SCRIVNER asked and was given permission to revise and extend his remarks.)

Mr. SCRIVNER. Mr. Chairman, although I may be repeating some statements already made, I cannot impress too deeply upon the Members of the House the fact that this presentation is not a realistic or factual presentation. You must understand that the machinery that it takes to get all of these estimates up in detail requires time. Each service determines its needs. The Joint Chiefs of Staff review the requests. Those agreed upon go to the Bureau of the Budget. If there approved, it goes to the President, and in turn the request comes to Congress. These figures were developed by the Armed Forces on the facts as they existed prior to Thanksgiving Day and prior to the terrific setbacks and losses that we have since experienced in Korea. As a matter of fact, in many of the categories of supplies which were requested, there were some of us who felt that possibly we should urge upon the Armed Forces to accept a larger sum of money. We did make that suggestion, but we were met with the reply that this was an orderly process and to do otherwise would break up the orderly plan. Certainly if the set-backs in Korea had not busted up an orderly plan, nothing else has. This is not a realistic presentation. Our military leaders assured us that our needs are being reviewed daily and that they will make their further needs known at the earliest possible moment. That simply means, I am sure, that immediately upon the convening of the Eighty-second Congress there will come to this House and to the Senate requests for far more funds, based in part, at least, on our Korean experiences to make available to the men in our services many more supplies.

Essentially this bill will give the pay that is necessary for the augmented Armed Forces. It will give us more ships, more planes, more guns, more ammunition, more bombs, all to be used by this added increment of men.

Another situation that should be realized by the Members of the House is that there is a change in procedure in this budget. For many years past when contracts ran for many months we gave to the Armed Forces what is known as contract authorization. In other words, they were authorized to enter into contracts and then later on the money would actually be appropriated to pay what had become due upon these contracts. Under this particular budget presentation, you will find there is no contract authorization, but we appropriate for the entire program, no matter what was the length of the program, whether it be a 10-day program, a 10-month program, or longer. The entire cost of the program as it is now envisaged by the present prevailing prices is provided for. There is no provision made for the anticipated rise in the cost of materials and labor. All of those things must be adjusted at a later date.

Many of the facts were given to us off the record, and properly so. Frankly, I have stood aghast at some of the disclosures of facts made here relative to our military program, not only here on the floor of the House but in the hearings and in the reports. You will recall that last spring when the defense appropriation item was up I suggested that perhaps it might be a good plan to have executive sessions of the House and the Senate when we discussed these war measures, because we were telling altogether too much about what we were going to do; so much so that a potential enemy need not have a very costly spy system to find out all our secrets. All any enemy would have to do would be to have his agents sit in the gallery of the House while we were discussing the bill, read the RECORD, and read the reports and hearings, and they would know exactly what we had in mind and what we planned to do. Even though many details are not in the hearings and many details are not in the report, that does not mean that the members of this subcommittee do not know what the major essential facts and items are; we do. To a great extent due to the lack of time for detailed examination, we have had to accept the advice and recommendations of our military leaders upon faith; you in turn must take some of our statements on faith, because we cannot and indeed we should not disclose all the facts upon which this budget presentation and appropriation is based. It is distressing that this must be so. We would like, all of us on the committee would like, to have had many more detailed facts, but time did not permit. We would like for you to have more and more facts, but the world situation is so serious that it is not proper or expedient or wise to give those facts on this floor. Many facts can be given in private, if desired.

As far as present needs are concerned it may be helpful to know that with each passing day more and more of the carriers of every type that were in "mothballs" on both coasts are being restored to service just as rapidly as the crews can be obtained and just as rapidly as the machinery can be tuned up ready to go. That is true of many particular types of our naval vessels. We can be entirely thankful for a program set up and approved by this Congress to conserve these ships in the event of another outbreak which we hoped would never take place until long after those ships had turned to rust. The event has taken place, we have them available and they are being made ready rapidly. Many of those ships that were in the "mothball" fleet are today doing duty in Korean waters.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I am very glad to learn that because I think it is very helpful for this country to know that and also the other countries of the world to realize that fact. The gentleman may remember that when we were on a committee there was always an appropriation for what we called lots and slabs for added necessities. I feel that the armed services still has those appropriations that have been made available without talking publicly about them to go ahead with our defense.

Mr. SCRIVNER. In closing, Mr. Chairman, may I say that the time has come when we must face the facts. This Nation must prepare and be strong, this Nation must pay for that program and while we are doing all that we must pray that our preparedness plans are timely—and that these men and munitions will never be needed in any war.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. CANNON. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. PICKETT].

Mr. PICKETT. Mr. Chairman, researchers have estimated the average era of peace in the history of the world to be but 7 years. Events of the last two generations reduce that average. We are not at peace now; but while we strive for peace, we must prepare for war. Uncertainty, indecision, delay must end.

To recount the errors of omission and commission of the past would serve no useful purpose. They must not be forgotten. We must draw on them for experience and use that experience as the compass by which we chart a clear, direct, and positive course.

We have lost an unwanted fight in Korea. In the words of one Army sergeant, "We weren't exactly beat. We were just fighting a lost cause against too damn many Chinese." Many thousands of our soldiers are now being evacuated from northeast Korea. Admittedly, we cannot reinforce the remainder in substantial numbers at this time. It would probably be the better part of wisdom to evacuate them all.

Because of our experience, the action we are taking in passing this supplemental military appropriations bill should be used as another step in a preparedness program far greater than that we have

undertaken since World War II. We must increased our Armed Forces as rapidly as practicable by the integration of volunteers, draftees, reservists, and the National Guard; providing the manpower with the best possible training, leadership, and weapons.

In order to support such a program for preparedness, we must mobilize our civilian manpower and industrial production. Legislation already passed by Congress to achieve that end ought to be utilized since it is evident the voluntary-compliance efforts of the past are not successful. If the law is inadequate, Congress will amend it.

Such an economic mobilization will require controls and allocations that I personally dislike and would not support in ordinary times. But these are not ordinary times. It will require increased taxes and reduced production of civilian goods. It will require the paring of Government expenditures for programs not essential to our survival to the bone. Politics, controversial domestic issues, "business as usual," must take a back seat.

In the process of mobilization, while continuing to work for peace, we must assess the world situation in the light of who is our friend and who is not. Those who give a clear indication that they choose to fight on the side of freedom will be aided in keeping with our own preparations and our ability to aid them. Assistance to those who are not our friends should not be extended.

These observations do not touch all of the problems we are faced with. They are not intended to do so. I believe those things at least are necessary in view of the challenge confronting us. Answer to the challenge by a direct and positive course will be immediately responded to with determination and cooperation by the American people.

We have all prayed such a course would not be necessary; but it is far better to be prepared for the worst and it not occur, than to be unprepared should the worst come.

(Mr. PICKETT asked and was given permission to revise and extend his remarks.)

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Chairman, I shall take just a few moments to explain one or two items in this bill which were considered by the Subcommittee on the Treasury and Post Office Departments. The Post Office had no request for additional appropriations at this time, but the Treasury did have several. The first was a request from the Division of Disbursements, which appears on page 5 of the bill, for $380,000. These funds are to take care of an increased workload arising out of the social-security-extension bill, which was passed after the enactment of the regular appropriations bill, and also to take care of the expenses incident to the issuance of checks in payment of a second special dividend on national service life insurance. The committee approved $300,000 instead of the $380,000 requested.

The Bureau of Customs requested $350,000 to take care of the increased workload at the ports of entry. They need some additional help. The committee did not feel, however, that they need all of the help requested, so we reduced their request to $225,000.

The Secret Service asked for $82,000 additional for special gents and $49,000 for White House Police for the protection of the lives of the President and the Vice President. After the recent attempt on the life of the President and in view of certain other information that was presented to the committee, we thought the additional protection should be provided and approved the full amount requested.

The other item is both substantial and important. It increases the operating expenses of the Coast Guard $18,600,000, and the funds for acquisition, construction, and improvement, $7,900,000. Those funds are to be used entirely in the port-security program. You will recall that when the first supplemental appropriation bill was before us the port-security program had not been perfected. Therefore, the Coast Guard was not in a position to request a specific appropriation. We did, however, in that bill authorize them to use not exceeding $10,000,000 of their regular appropriations for port security. The program is now beginning to take shape, and the Coast Guard requested these funds to finance it. Realizing the necessity of protecting our ports from atomic bombs and other explosives, the committee approved the entire amount requested.

That covers all of the requests of the Treasury Department.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. Mr. Chairman, as the ranking Republican Member of the House Subcommittee on Appropriations for the Treasury and Post Office Departments. I concur in the statement just made by our distinguished chairman, the gentleman from Virginia [Mr. GARY]. I hope that the membership will find time to read the hearings on the presentation of the Chief of the United States Secret Service, Mr. Baughman, when he discussed the protection of the President and the Vice President. You will note in the bill before you today that we are not only providing funds for the protection of the Vice President but we are also providing for the first time legal authority for such protection. You will see, if you read the hearings, where I examined the Chief of the United States Secret Service at some length regarding the protection of the President when he appears in the House of Representatives to make a presentation on the State of the Union or otherwise before a joint session of the Congress. It is my considered feeling we do not have adequate measures for proper protection of the President when we hold such meetings, and, furthermore, that we do not have adequate protection for ourselves.

One of the mistakes of World War II was the administration's delay in facing up to inflation controls.

We do not want to see that experience repeated.

The first consideration, to my mind is—are we to be engaged in an all-out rearmament effort? Apparently not.

This country has not entered a stage that could be described as a war economy.

Back in 1942 half the Nation's entire income went for defense purposes. At the present time, while our national income is running well above $230,000,000,000, current expenditures for the Army, Navy, and the Air Force are at a rate of not much more than two billion dollars a month. That makes our defense effort roughly 11 percent as compared with 50 percent back in 1942.

I think that it is time we realized that we cannot regard our rearmament program as something to be carried out at half speed. Rather we should work at top speed—and that will mean controls and sacrifices I feel the American people, in return for safety and protection, are willing to meet the challenge if they are convinced that no time and no resources are being wasted to drive ahead with this new defense effort.

Now, there is another phase to defense here in our United States. It is civilian defense of our American cities and towns located in so-called target areas. I shudder when I think of how remiss we have been on this problem of civilian defense, when I hark back to the time that month after month our President permitted the United States National Security Resources Board, charged with jurisdiction over civilian defense, to go without a permanent Chairman. True, after the very able and distinguished W. Stuart Symington was named as head of that important body he started feverishly to work out a program of civilian defense, and now there is a new agency charged with carrying out this effort. But even at this moment we have no national law on this subject.

May I say to you in passing that only this week when we in the House of Representatives preponderantly voted to give Tito and the communistic Government of Yugoslavia $38,000,000 we also refused in the very bill before us today every cent requested by the Commissioners of the District of Columbia for civilian defense of our National Capital city, almost $400,000. Not 1 cent was allowed by the subcommittee. Not 1 cent appears in this bill before you. Of course, the members of the subcommittee will say to you that they had some doubts about the request.

Do you recall the speakers who advocated the grant to Tito and his Government? Almost every one said, "I have extreme doubt about this grant. I am holding my nose when I vote 'aye' on the bill." I voted "No."

I live in a target area. My cities of Paterson, Passaic, and Clifton, N. J., on the fringe of New York, are in a prime so-called target area in this atom-bomb world. Do you know what some of my mayors are telling me? "Mr. Congressman, we are waiting for the cue from the Federal Government. We are waiting to see what the Federal Government is going to do in the way of laws and ap-

propriations before we legislate, before we appropriate any funds for civilian defense."

Do you know what I am telling my mayors? I am telling them, "Mayors, you may wait too late if you wait for the cue from the Federal Government. Mayors, you know as well as I know that the first law of life, the first law of nature, is self-preservation. You now have a weighty responsibility. You ought to get on the ball."

Only today I picked up from the New York Times this little item about air-raid surveys in Great Britain. They are not waiting. They know that time is of the essence.

LONDON, December 14.—The Government has asked local authorities for a survey within 2 months of their existing air-raid shelters and estimates of additional shelters needed.

Where are the shelters in the District of Columbia? Where are the shelters in our Capital City today?

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the distinguished gentleman from California.

Mr. JOHNSON. I want to compliment the gentleman on mentioning civil defense. The same sentiment that was echoed to him in New Jersey came to me from every single city manager in my district. They want to know what the Federal Government is doing. They want to know their cue. They want to get ideas as to what they should try to do. I gave them the same answer the gentleman gave his mayors, that they had better start themselves because a delay might be fatal if they did not do anything about it, if they waited to hear from the Federal Government.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the distinguished gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. The gentleman may remember that the governors and mayors of various States and cities came to Washington recently and asked for guidance and help. They went back without any definite information to give to their people. If the gentleman reads the press, he knows that is true.

Mr. CANFIELD. Yes; that is true. They went back confused. There is no question about it. And we here are so unrealistic in facing the facts of life.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. SHEPPARD. Mr. Chairman, I yield 7 minutes to the gentleman from Florida [Mr. SIKES].

(Mr. SIKES asked and was given permission to revise and extend his remarks.)

Mr. SIKES. Mr. Chairman, the gravity of the present situation has been emphasized so repeatedly that there can be no question of the dangers which confront us. Time may indeed be running out on us. We have little choice but to be as well prepared as we can for any eventuality.

When we pass this bill, we in Congress will have done all that we can in defense preparations at this time.

It provides for an over-all build-up which more nearly approximates a war footing than any measure brought to you since World War II. It materially increases and modernizes our fighting strength.

It does so at terrific cost, considerably more than on June 25, more than double that of a comparative build-up in 1940. In a sense it ignores the lessons of Korea, for Korea is primarily a land war. Specialized ground combat units could be equipped and trained for land fighting at much less cost. This measure looks beyond the fighting in Korea and prepares us for defense in a broader sense. We have no alternative but to prepare to defend ourselves on land and sea and in the air. We do not know where the next attack will come.

A stronger defense will not come overnight. We cannot go home and say the passage of this bill has made us secure. This is a money bill and it takes time to convert it into armed strength. But we can say we have provided what the services need from us. As a matter of fact the services have not spent all the money previously voted for them. Now we simply are signing a check to permit a continuation of the build-up which we recognized as essential in September, and which we find must be increased in keeping with the increased gravity of events world-wide.

This is a $16,000,000,000 build-up, and the committee is unanimous in support of it. Obviously, the committee has not had time to thoroughly examine the justification offered in this request for funds. It is the best estimate we can make under the circumstances. We are placing a very great trust in the heads of the Armed Forces. Fortunately they are men in whom we can place great trust.

Historically, defense funds have become almost sacred in this country. I do not think that is a wholesome situation. Virtually anything can now be justified and secured in the name of defense. We in Congress lean over backward in our desire to provide for the security of the Nation and the comfort and well-being of its forces. That can lead to abuse. It can and possibly does lead to gadgeteering. An increasingly larger number of men is being required to operate the supply lines and the equipment which support our men at the front. In consequence I believe we today have in our Armed Forces a smaller percentage of men with guns in their hands than any other nation. Our men are better armed, and they are better provided for. That is pleasing and that we want. But these things do not necessarily provide the balance of victory. Witness Korea, where Reds with one pocket full of rice and another pocket full of ammunition whipped us soundly.

We can now more clearly evaluate the seeming disaster to our military forces in Korea. We have in truth lost a campaign. But we have not lost a war. Our forces were badly hurt but they were not destroyed. There remains strong UN fighting forces which have formed a defense line across the narrow waste of Korea which is fully capable of taking care of itself.

We need not delude ourselves on the possibility of winning in Korea for a long time. We do not have the resources at this time and our allies are not providing the additional forces which are needed. I doubt that we could justify the cost in manpower if we had the resources. We can hold on until we see fit to evacuate and we can do both successfully.

I hope the lesson in Korea has taught us we can never afford to become involved in a land war with China. Now that Red China has thrown down the gauntlet however, we can and should afford the Chinese Nationalists an opportunity to bomb Red commerce, railroad lines, and military factories. We should systematically encourage Nationalist guerrilla activities inside China. We will find Red China highly vulnerable, and we can develop sufficient confusion and unrest inside China proper to lessen her appetite for pulling Russian chestnuts out of the fire in Korea, Tibet, southeastern Asia, and finally, India.

These are not costly undertakings. They do not require the sacrificing of American lives. They simply encourage the Chinese to fight for a government of their own choice.

The most alarming sign of the times is our seeming inability to prevent the enemies of world freedom from picking the time and place where trouble starts. This, coupled with our willingness to attempt to handle the trouble almost alone, presents a situation where we can be bled to death, physically and materially. This, more than to fight us, is the first aim of the Kremlin. It is not necessary that we fight on our enemy's terms. Nor is it possible that we fight successfully alone. These truths we must accept.

I state again: the Chinese Nationalists offer a fertile source of manpower on Formosa. The Nationalists and the anti-Reds on the mainland of China offer many more. We ignore both. The Japanese offer trained men, 5,000,000 of them, and a tremendous industrial potential. Theirs is the biggest unused source of military strength in the world today. We help to feed the Japanese. We protect them. We neither ask nor get anything in return. To utilize their strength will require no new policy. We have demonstrated that we are not squeamish about whose help we get. I do not consider Japanese hands any redder than Tito's. And the Japs were our friends for many years before their war lords prostituted their thinking.

These forces, singly or jointly, can give our foes much more to handle in Asia than will be required to get their attention off us. And to those who are sticklers for legal form, I suggest the use of "volunteers," as other powers use them, and a treaty of peace with Japan, which is wholly within our right.

There are in Europe hundreds of thousands of refugees from communism. They will fight and fight well for a chance to go home again. Surely they have as much to fight for as the American boys who are now being prepared to fight in Europe if we are attacked on that continent.

Communism does not hesitate to use whatever weapons are at hand. With all

its disregard for human life, the Kremlin is not today expending Russian lives. We live in a world which is wholly practical and not at all idealistic. We shall have to be practical too. We may save many American lives if we rely more upon allies who, because of their background, know much better than we how to deal with Communists.

But these things are not within congressional jurisdiction. We are the legislative, not the administrative branch of government. Ours is the responsibility of providing the funds and the basic laws, of trying to follow through as the people back home would want.

There is in this bill funds which will nearly double our fighting effectiveness and provide us with modern weapons. That, I think, is the comparison in which you are most interested. I believe the security of our Nation requires this step which we now propose.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, we are here this afternoon about to bill the taxpayers of the United States for another $18,000,000,000. It does not make any difference in what language you speak, that is a vast amount of money and the people are entitled to know what commitments this spending is designed to implement and whether they are going to get dollar for dollar.

In other words, are those who have been enriching themselves on defense spending going to continue their luxurious ride at the expense of the security of this Nation?

President Truman, in his message to Congress on December 1, in connection with this legislation, had this to say and I quote:

> About $9,000,000,000 of these new funds will be used for major military procurement, and to expand facilities for military production.

Let it be remembered that in four fiscal years, after the end of World War II, more than $50,000,000,000 was supposedly spent on the Military Establishment of this country, yet when the blow fell in Korea it became apparent that only about eight and one-half billion dollars of this staggering expenditure actually went into the weapons of war and the trained forces necessary for their efficient use.

In the light of this extravagance, which must be charged to President Truman and his administration, are we supposed to believe now that we will get more in the way of actual defense for less than eighteen billion than we did for more than $50,000,000,000?

On the basis of dollar for dollar we are going to get less if for no other reason than that President Truman, by refusing to put price and wage controls in effect long ago, has permitted inflation to debauch the medium of exchange and rip wide holes in the Nation's economy. As to the price of infiation, according to the latest report of the Council of Economic Advisers, United States citizens are now able to save, percentagewise, less than half the amount they saved at the first of this year—3.1 percent compared with 7.6 percent. How much more suffering, under scarcities and black markets, can small manufacturers and their laid-off employees stand? In this connection, the previously mentioned Council of Economic Advisers reports that unemployment increased 300,000 in November, the last month tabulated, over October.

This Congress, long ago, provided President Truman with the powers to halt inflation, distribute materials equitably, stamp out black markets, and stop the gouging, but he has procrastinated. Why? Apparently he is not interested in the people we represent, but we should be, and I, for one, am.

Under Truman inflation, how much will the proposed appropriation be worth when spent next week, next month, or even tomorrow? What will it buy for our fighting men? And who will reap the profits, and to what extent?

Are we content to saddle the people with another $18,000,000,000 mortgage while closing our eyes to profiteering and inflation?

Nobody denies that it is necessary to build our military strength. But how can we do it, no matter how much is spent, if the purchasing power of money vanishes into the thin air of inflation or into the bottomless pockets of the profiteers?

The people of this country are bewildered, confused, and becoming desperate because of the stupidity, blundering, and procrastination that has been perpetrated upon them. At no time in the history of this Republic, in a time of crisis, have they suffered more from a lack of firm, intelligent, and courageous leadership.

The people of this country are fast coming to realize that their internal danger is becoming grave. They labor under no illusions as to their external danger. They have long since become convinced that they are at war even though there are some who still indulge in the pettifoggery of calling it a police action.

I do not know what the present occupant of the White House proposes to say in his message to the Nation this evening. I do know that under the Constitution and his oath of office he has the duty and the obligation to set forth, and where he has the authority, to put into effect those measures necessary to end the present chaos and provide the unity of purpose the people want and which is so desperately needed.

If unable or incompetent to meet the needs and demands of the hour, President Truman should resign forthwith and make way for someone who can meet this challenge.

Mr. MAHON. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Chairman, I rise in opposition to the proposed appropriation for armaments.

Armaments per se have always meant nothing; armaments are merely the implementation of a policy. Armaments implementing a policy of genuine defense of a people's interest is one thing; armaments implementation in pursuance of a genuine defense policy is always in the interest of the Nation, but these armaments implement an insane war program which has never been in the interest of the Nation and it is today definitely not in the best interest or defense of the people of the United States.

This insane war policy culminated last June in our operation desperation in Korea. I do not believe I am subjecting myself to an accusation of immodesty when I now say beyond challenge that I stood up here as the only Member of this House in opposition to our intervention in civil war in Korea. I did so on the very day on which the President announced our disastrous adventure in Korea. I said then, on June 27, in the well of the House, after the majority leader had read the statement that the President had issued from the White House:

> Mr. Chairman, we have heard words read here by our distinguished majority leader which I think will mark a disastrous course, and the words I am using do not adequately describe the disastrous consequences this course will have on the people of the United States unless checked by the people themselves.

That was said on June 27. Events since June 27, I maintain, have vindicated the position I took at that time. There are very few people in America today who do not wish we had never gone into Korea. I said also at that time that the Chinese people would fight; and I explained that our action there was not in the defense of a single American interest in Korea, but that we were fighting against the national aspirations of the people of China, Korea, Viet Nam, and other peoples in Asia for national liberation and self-determination.

Now you here offer what? More appropriations for more armaments, leading to what? Leading to the acceptance of an increased armaments race and of the doctrine of the inevitability of war. Some Members have stood up here during this debate today and have stated that we were at war. The idea of the inevitability of war is being foisted on the people largely by those who sit in the high seats of government. That idea has been fostered here. Tonight it will be fostered again by the President of the United States in his address to the people of the country.

The only alternative that is offered to the people of the world and the only alternative that is offered to the people of the country as a result of this insane war policy which you are implementing with this appropriation is world conflict and use of the atomic bomb. This is the tragic end of the road on which you have been dragging the American people.

I stated also on June 27 in connection with the atomic bomb:

> Remember one thing: A bomb was dropped on Hiroshima. It had terrible consequences, but it did not frighten the people of China and it did not frighten the people of Korea and the people of Asia.

So the threat of the use of the atomic bomb has only alienated decent-minded people away from us. Events show that that threat has not frightened the peo-

ple of China. The alternative of the use of the atomic bomb, the alternative of an armaments race, the alternative of the idea of inevitability of war, leave us completely bankrupt in the eyes of our own people here at home whose economic and social interests are being sacrificed every day to the interests of this insane war policy, to this armaments program, to the interests of this doctrine of inevitability of war. I say again what I have said since June 27 that there is no interest in Korea of the American people which warrants the shedding of one precious drop of American blood, there is no interest there of the American people which warrants the disastrous consequences which have been inflicted on our soldiers, on our economy, and on the welfare of the American people.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CANNON. Mr. Chairman, I yield the gentleman one additional minute.

Mr. MARCANTONIO. Mr. Chairman, the best defense of these United States is not armaments, the best defense of these United States is a policy of peace. I say that our problems can be resolved without the sacrifice of a single interest of the American people; they can be resolved by a policy of courageously carrying out two steps—cease fire on both sides and at the same time honest negotiations for an honest conclusion for peace. But you cannot enter into those honest negotiations unless you recognize the right of the Chinese people to self-determination and the right of the people of China to national unity. We must accept the people of Asia and China as equals. You cannot enter into any honest negotiations for peace as long as you want to hang on to a corrupt dictator like Chiang Kai-shek and insist on establishing false, unjustified, and pretended defense lines for America in Formosa or in other parts of Asia. That will not make for an honest and effective conclusion for peace. That only carries out the insane program of war and despair abroad and at home.

The best defense of America does not lie in this armaments race implementing this insane program of war. Such a race will lead only to a war which at best no one will win, but which will destroy civilization as we know it. The best defense of America does not lie in the atom bomb. It can be thrown in both directions and destroy us, too. The best defense of America lies in a policy of peace and today specifically the best defense of America is peace with China.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 7 minutes to the gentleman from California [Mr. JOHNSON].

(Mr. JOHNSON asked and was given permission to revise and extend his remarks.)

Mr. JOHNSON. Mr. Chairman, I listened with a great deal of interest to what the gentleman from New York [Mr. MARCANTONIO] had to say just now. While Korea may be a terrible mistake, I do not think the gentleman from New York offers us a prescription to cure it. This bill, in my opinion, is about the best step we can take to overcome the situation caused by our reverses in Korea.

I wanted to say something else which does not directly concern this bill. Anyone reading this bill might get the idea that America is a warlike Nation, that we were, by building armanents and through other war preparation activities, provoking people and nations into war. The few remarks I wish to make are that for an undeviated history of 50 years the considered policies of the United States have been peaceful. I wish to place in the record a few landmarks indicating conclusively that we are seeking peace for ourselves and the world.

In 1901 we entered into a treaty under the leadership of John Hay enunciating the open door policy for China by which we virtually guaranteed the territorial integrity of that country.

In 1922, I think it was, after we had gone through World War I, we had a naval disarmament conference, inviting the leading naval nations to participate, which they did. Many people have laughed at that effort, ridiculed it, and made fun of what we proposed. In my humble judgment it indicated the heart and mind of a country that was groping and trying to find a way to make peace. Much as that disarmament conference was criticized at the time, I want to point out to you that very few, if any, statemen in the United States Senate voted against that disarmament proposed by the conference, by which we proposed to and did sink the most tonnage. Considered in the light of the conditions following the war of 1917, it was a magnificant gesture in what we thought at the time was a step toward world peace.

Then we went along for a few years. We were still trying to find some way to avoid warfare among the nations of the world. In 1928 we sponsored the Kellogg-Briand Pact. Unfortunately the fine expressions and the noble principles set out in that document had nothing behind them to implement it. It laid down the basic principle that war would be the last resort of nations to settle disputes. It laid down the policy that every single effort in every direction, and by every means, to bring about the settlement of disputes between nations should be by negotiation and other peaceful methods. There was nothing in there, however, to implement any decision arrived at, nor was there machinery to force negotiations before going to war. The result was when that treaty might have been invoked at the outbreak of the world war, some of the signatory parties disregarded it. They plunged into war, disregarding the path provided by the Kellogg-Briand Pact, to which they were a party.

Then, what did we do in 1946? We kept a promise of almost 50 years with the Philippine Islands that when they were ready for their freedom we would give it to them. We won the war of 1898 and got the Philippines. Only 2 percent of the people of the Philippines could then read and write. We educated them, we trained them, we poured in billions and billions of dollars to help them educate their people, develop their economy, and get ready for self-government, and finally in 1946—and I think this is one of the greatest steps ever taken by a great nation—we finally gave them their freedom. On top of that we made an agreement to last 25 years to help stabilize their economy and get on a firm sound economic basis. Some of us are wondering if that was a mistake, but any way it shows that we had no imperialistic designs, which some prominent people and nations are accusing us of having.

We furnished the leadership for the writing of the United Nations constitution. I do not think that that document is as well written as the original document of the League of Nations, but anyway, it showed the considered judgment of our Nation and most of those who were in control of the conference to find peaceful methods to settle international problems.

Later on we were worried about atomic warfare and the Baruch plan was offered by the United States which I think was almost too liberal for our own security, but it did lay down a realistic plan of inspection that I believe would have had the effect of outlawing atomic warfare. It was rejected by one of our allies.

We have done other things during the past half century that any unbiased reader, any unbiased historian or student of history must interpret as being that fundamentally and basically the United States of America does not want war. We want to get along with the world. We want the world to solve its problems by some type of united security and some type of negotiation, but in every one of our efforts we have been thwarted.

I hope and I pray, like you do, that what we are doing today in stepping up our defense $19,000,000,000 and what we will do next January stepping that up probably a great deal more than that, will not lead us into a general war whereby everybody will lose, even the winner. I merely, in my humble way, want to get down in the CONGRESSIONAL RECORD, for those who may read it, that we have this long record of effort in trying to bring about a peaceful world. We can truthfully say the United States has been a leader of the efforts, even though they have all been abortive up to date, to bring about world peace, for which the people of the world have dreamt and prayed and worked for over 2,000 years. This by no means is all the efforts we have made to provide world peace.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON. I yield.

Mrs. ROGERS of Massachusetts. Does not the gentleman feel that industrial production will be very much stepped up under the leadership of Mr. Charles E. Wilson, the president of the General Electric Co.?

Mr. JOHNSON. I do not believe you could pick a better man in the whole United States than Mr. Wilson to handle that problem. He is a well-trained,

statesmanlike industrialist. He will do an excellent job.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee [Mr. GORE].

Mr. GORE. Mr. Chairman, I had not intended to seek time to speak at this time, but because of certain testimony given by our national defense leaders and also because of some utterances in debate today, I do desire now to express a few sincere opinions.

I am not one who thinks it would be a great service to the men in the Kremlin for our people to know and recognize the extent of the danger, the gravity of the peril to freedom not only all over the world but right here in our own country. Perhaps the men plotting that peril know its scope and extent better than I. Suffice it to say that in my opinion the danger is far more grave than at the time of Pearl Harbor, for the reasons that then we had powerful allies who had their strength mobilized and were already in the fight. Today we do not have an ally whose strength is mobilized. Moreover, our own strength is mostly unmobilized. Yet we face the organized and mobilized might of a large part of the land mass, the resources and the human masses of Eurasia.

What disturbs me by a reading of the testimony of the national defense leaders before the appropriation committee and by some statements which have been made here is an apparent hesitation to make an all-out approach to what clearly appears to be an all-out danger. If this hesitation is born of a feeling that an all-out attempt at defense preparation on the part of our country would precipitate further acts of aggression by our acknowledged foes, I would recall to you that those arguments were uttered repeatedly in the Congress of the United States before Pearl Harbor. "Oh, we dare not build up an Air Force or fortify this or that lest we precipitate war," it was said. Mr. Chairman, let us not repeat the mistake.

If that hesitation arises out of some lack of confidence in the willingness of the American people to face up to the dangers confronting their country once they know and recognize those dangers, then I must say I do not share that lack of faith.

If that hesitation is based upon an apprehension that the people of the United States could not contain themselves in the event of a diminution of a communist threat after our strength is fully mobilized, that full mobilization would make war inevitable even though the threat to freedom shall have lessened, then I must deny that democracy and freedom is untrustworthy with power, can only be safe and trusted as a handmaiden of weakness.

If that hesitation is based upon a real fear for what may happen to our way of life because of years of governmental controls, restrictions, regulations, taxes, inflation and all that these mean, then I must say that I share the apprehension fully. Many dangers to freedom are involved, internally, I mean.

But, Mr. Chairman, the threat from aggressive communism with its mobilized military hordes is stark and immediate. This growing menace has already snuffed out the liberty and democratic character of a whole series of nations. We must prepare fully and immediately to repel this threat, taking our chances with acknowledged attendant dangers.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. GORE. I yield to the able gentleman from Ohio.

Mr. BROWN of Ohio. I am sure the gentleman well knows the high respect I have for him and his patriotism and intelligence. I do not understand the gentleman to be criticizing the Congress for its failure to build up the national defense of this country, do I?

Mr. GORE. That was not the purpose of the remarks of the gentleman from Tennessee.

Mr. BROWN of Ohio. I hope the gentleman will permit me at this point in his remarks to call the attention of the people to the fact that the Congress of the United States on three different occasions did vote to increase our Air Force from 48 groups to 70 groups, and that that increase which the Congress provided for never came about until after the attack in Korea. I think I should point out the Congress of the United States did provide for armed forces totaling over 2,000,000 men, and yet in spite of that fact our Armed Forces numbered slightly over 1,400,000 men at the time of the attack in Korea. I hope there will be no inference drawn from the gentleman's remarks—and I am sure the gentleman did not mean it that way—that the Congress of the United States has been dilatory in its duties. The responsibility for the failure of the American people and the American Nation to be prepared at this time rests squarely with the executive branch of the Government and not the Congress. We have voted every dollar that has ever been requested for national defense purposes.

Mr. GORE. I thank the distinguished gentleman from Ohio for his contribution.

In reply I would be pleased to advise him that it was not my purpose in rising to be critical of anyone, let alone to be critical of the Congress of the United States. Of course, there is blame enough for all of us. There is blame enough for both parties in the Congress. I have no desire to be partisan now. There is job enough for all of us—every member of both parties, not only in the Congress, but every official in our Government and every citizen of America. It is not my purpose to be hypercritical, realizing that in these terrible times officials of the executive branch no less than ourselves are under terrific strain and pressure. Instead, it is my purpose to voice some deeply disturbing thoughts that I have.

In calling to the attention of this body what appears to me to be a great grave threat to the very existence of our country, and my doubts about the adequacy of our measures to vouchsafe our security, I do not predict doom for my country or read its obituary. I desire to arouse and exhort my Government and my fellow countrymen to recognize the danger for what it is and to prepare to safeguard our Nation.

Our basic fault with a partial mobilization effort is that it doesn't get the necessary job done, it being very hard to obtain sacrifice from one unless sacrifices are required of all.

Let me address my remarks now to one part of this bill which comes from my subcommittee dealing with the Atomic Energy Commission. There you will find one instance in which an all-out attempt is being made. Not only are we appropriating enormous sums by this bill to build additional fissionable-material-production facilities, but as has been announced in the press today, there is money contained in the bill for the construction of plants in other countries to make available a greater supply of uranium so that there may be in the hands of our country in the future a continuing supremacy of atomic weapons. Were it not for the superiority we have in atomic stockpiles, I fear that we might be faced with an imminent threat in Alaska, if we do not under present circumstances. We can be thankful for this atomic-weapon headstart. We must keep it. Other preponderances stand in our favor—a superior navy, a qualitatively superior air force, productive capacity, and a virulent, free people.

Mr. Chairman, for these reasons and others, I urge a policy, not of overcautiousness—deliberateness, yes; but not overcautiousness—rather a policy of imagination and courage, faith in the people, faith in our institutions and faith in the cause for which I fear we are bound to fight.

The CHAIRMAN. The time of the gentleman from Tennessee [Mr. GORE] has again expired.

Mr. CANNON. Mr. Chairman, that concludes the general debate.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

FEDERAL SECURITY AGENCY

OFFICE OF EDUCATION

Promotion and further development of vocational education

Appropriations made under this head for the fiscal year 1951 shall be available for carrying out the provisions of the act of March 18, 1950 (Public Law 462).

Mr. FOGARTY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOGARTY: On page 8, after line 12, insert:

"PUBLIC HEALTH SERVICE

"For an additional amount for National Institute of Health, operating expenses, $2,625,000, including the objects specified under this head in the Federal Security Agency Appropriation Act, 1951."

Mr. FOGARTY. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Chairman, events of the past week leave no doubt that our country must be fully prepared for all-out war. We must be equipped to wage

an offensive attack in remote areas and be alert to the likelihood of battle close to or at our shores. In addition, we have to recognize the immediate necessity for strengthening the civilian backbone which experience has taught us is the mainstay of our war effort.

For both military and civil defense, health and medical advances are of the utmost importance. In the last war—a war which unfortunately has only been recessed—we were able to succeed in combat and maintain production largely through the application of scientific and technical knowledge amassed beforehand and given impetus during the emergency period. These lessons must not be lost.

We are engaged in a struggle in which we are at a tremendous numerical disadvantage. We can counter or offset this situation only by technical and scientific superiority. In health and medical services both for military and civilian standards, we are short-handed. We cannot afford also to be short-sighted.

As we all know and have recognized through enactment of the doctor draft, medical manpower is one of the weakest links in our chain of armor. Shortage, not only of doctors, but of technicians, nurses, and other specialists has brought us perilously close to the stage where we cannot be certain of sustaining our health and strength. The most important factor in this picture is research and research manpower.

Trained personnel cannot be obtained overnight and cannot be obtained even in a period of years. We can and must take the next step of expanding research and scientific endeavor so as to multiply the capacity and increase the ability of each doctor and nurse. Through discovery of disease cures and drugs, application of research findings, improvement of clinical and patient care and rehabilitation of the ill and injured, we can increase manyfold the quality and quantity of medical service, even though we cannot hope to increase medical manpower to the point of minimum adequacy.

Above all, we must emphasize research in the basic sciences. The source and origin of power and potential in this area are the universities, medical schools, and research centers of our Nation. From these alone, can we hope to get the flow of discoveries and men which will be the mainstay of the medical effort. From this potent resource we have only recently obtained the miraculous discoveries of cortisone, the much publicized drug which has proved potent in a wide array of diseases, and findings concerning blood composition, fractions, and preservation, which may revolutionize treatment of patients suffering from shock and burns.

I appreciate the vast recent appropriations to the military, some of which will be applied to medical research, but the Armed Forces must properly, and of necessity, concern themselves mainly with the application of research findings, development of methods, and care of casualties. The research which they support bears directly and immediately upon performance of their military function. In order to make this research and care more effective, precisely the type of work which I have described as emanating from the schools and research foundations is of greatest significance. Without constant delving and searching in fundamental problems of physical and mental disease, we cannot hope to provide the knowledge and material indispensable to the medical functions essential in military and civil defense. We can go only so far in maintaining our healthy individuals and caring for our sick on the basis of present knowledge. Expansion of research presents unlimited prospects in maintaining an economy of high production and in assuring strong military forces.

Despite these considerations, the House Appropriations Committee deleted a request for the relatively small sum of $2,600,000 for basic research authorized under the recently enacted medical research law. Public Law 692, approved August 15, 1950, authorizes specific support of research and training in arthritis and rheumatism, multiple sclerosis, cerebral palsy, epilepsy, poliomyelitis, blindness, leprosy, and other diseases. The law also directs the Surgeon General to establish in the Public Health Service a National Institute of Arthritis and Metabolic Diseases and a National Institute of Neurological Diseases and Blindness. Passage of the research legislation in August at the time of significant military and civil-defense preparations and following the decisions to cut back or defer nonessential programs, clearly implied recognition of its importance for the national welfare and security. The nature and extent of the diseases and disabilities to which this new legislation directs action manifestly indicate their close relationship to the mobilization effort and heightened civilian production.

Shortly after enactment the Senate approved a $3,000,000 appropriation for this work, but this action was not confirmed by the conference committee. Despite this set-back, the Surgeon General proceeded in recognition of the urgency of these programs. He promptly established the institutes and has convened the advisory councils of outstanding non-Government experts which are prescribed by law to review and approve specific projects. The councils have already begun work on the assumption that programs approved by Congress would receive financial support.

In addition to the military and civil-defense considerations, it is important to realize the background which led to passage of this law. It is estimated that some 7,000,000 people, or about 5 percent of the population, suffer from arthritis and rheumatism, costing the Nation about $750,000,000 a year in lost wages, relief payments, and medical care. Hay fever and asthma affect some 3,400,000 Americans; goiter and thyroid diseases afflict 1,200,000 people; and diabetes incapacitates another million; at least 330,000 suffer from peptic ulcers. Many of these are among the physical handicaps building up the alarming rate of military rejections.

Among the neurological diseases, the situation is comparable, if not worse, since these afflictions distort mind and body and have not yet been completely accepted by the public as health problems. Those who suffer from cerebral palsy number more than 500,000; epilepsy affects over 800,000 and multiple sclerosis destroys bodily control of 175,000 more. Tragic blindness handicaps 200,000. For these, adjustments to normal living is trying and difficult. The economic costs to the Nation arising from these diseases—not considering the pain involved—run into billions of dollars, whereas the sums so far spent for research on causes and means of prevention and cure are negligible.

These statistics, striking though they may be, do not completely define the real issue. That basic issue is one of extending hope and measures of relief and possible cure to millions who will find the courage and strength to man our guns and to support those who do. Of greater importance, are the possibilities held out by research in the prevention of disability and disease.

The National Institutes of Health, research organization of the Public Health Service, has developed plans for conduct of the basic investigations authorized. Financial support is the sole important factor now holding up commencement of work.

Mr. Chairman, this Committee on Interstate and Foreign Commerce passed this legislation by a unanimous vote. Congress passed this legislation last August authorizing the setting up of these two new institutes by a unanimous vote. It was too late at the time this bill was sent to the Senate for justifications to be presented to the subcommittee of which I am chairman. As a consequence the Public Health Service justified these expenditures before the Senate Committee on Appropriations. The Senate allowed an expenditure of $3,000,000.

Because of the fact no one from our subcommittee served as a conferee the $3,000 000 Senate item was stricken out in the conference.

All I am asking the House to do this afternoon is to include in this supplemental or deficiency appropriation bill a sum of $2,625,000 so that these two institutes which have already been authorized and set up by the Surgeon General of the Public Health Service can start in operation this fiscal year. The only way we can start these two institutes operating is to give them money with which to operate between now and the first of July 1951. I know that the Bureau of the Budget has already allowed a budget request for these two institutes for the next fiscal year, but because of the fact that they have already allotted the sum of $3,000,000 that has provided by the Senate and because we as Members of this body have not before had an opportunity to vote on whether or not they should have any money with which to operate. I think it is only fair and just that the Congress have a chance today to vote to put these two institutes in operation for the benefit of millions of people in this country at the present time.

In all of my work in the Congress and in the past 10 years since I have been a Member of this body, I do not know of any other governmental organ-

ization that has worked in a more cooperative spirit with private agencies and with the American Medical Association as has the various institutes on heart, cancer, and mental health. We all know of the success that has been obtained by those institutes over the past 5 or 6 years since they have been operating with funds appropriated by the Congress in that time.

All I want to do is to grant some relief to these millions of people, because we believe that the answer is in sight. We know by actual experience through development, through research and discovery of two what we have been told by leading doctors in the country are perhaps the greatest medical discovery since Pasteur's work on bacteriology. I refer to the two wonder drugs, cortisone and ACTH. For the first time in history men and women who have been afflicted over the years and have been bedridden by rheumatoid arthritis and other forms of arthritis after a few injections of these wonder drugs are up walking around at the present time and are resuming the work that they had previously engaged in 4 or 5 years ago.

I know this from actual experience. We have a clinic that just started in Rhode Island. I saw a man there only 2 weeks ago who was a former railroad worker, who had been bedridden for 5 years. After treatment with this wonder drug, cortisone, for 2 months, he has resumed his work as a railway worker. If this can be accomplished for that individual and the millions of people who are suffering and laid up and bedridden at the present time, it is not only the responsibility of the Congress but, in my opinion, we would be fair and just to them due to the possibilities now through the discovery of these great drugs. They will not only relieve pain but will put men and women back on their feet who have been bedridden for years.

This is an opportunity for the Members of the Congress to do something not only for the war effort but for the millions who are suffering from this disease at the present time.

The CHAIRMAN. The time of the gentleman from Rhode Island has expired.

Mr. FOGARTY. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. CANNON. Mr. Chairman,at the conclusion of the remarks of the gentleman, I ask unanimous consent that all debate on this section and all amendments thereto close in 10 minutes, one-half of the time to be controlled by myself and one-half by the gentleman from New York.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from New Jersey.

Mr. CANFIELD. The gentleman from Rhode Island sponsors a great humanitarian cause, a challenging program for America. Is this the same program with which the gentleman from Wisconsin [Mr. KEEFE] was so concerned in previous years?

Mr. FOGARTY. This is the same program that the gentleman from Wisconsin has done so much to put into effect and I am sorry he is not here today because I know he is 100 percent behind it. I was hoping he would be here in the closing days of his service to the country and to the Congress so that he could speak and that the Congress in turn would by its action in voting these appropriations show its appreciation to the gentleman from Wisconsin for the wonderful work he has done in the past 12 years since he has been a Member of this body.

Mr. CANFIELD. The gentleman by his amendment asks for one-nineteenth of the $38,000,000 we gave to Tito and his government during the past week. He is asking for the sum of $2,000,000 for the health and welfare of America. I am supporting the gentleman in his effort.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from Tennessee.

Mr. PRIEST. As the author of the bill creating these two institutes and as chairman of the subcommittee on health reporting the bill to the Congress, I want to express my appreciation for the effective statement the gentleman has just made. I join him in feeling that it would be a tragic delay to wait 6 months to continue this great work with ACTH and cortisone. I hope the gentleman's amendment will be adopted.

Mr. FOGARTY. I appreciate the words of the gentleman from Tennessee.

I sincerely hope that the Members of the House this afternoon will give some consideration to this most worthy cause. I was never more sincere in my life when I say to you this afternoon that we could not pay for anything more humane than such a program as this; the possibility of helping these people who cannot help themselves; that medical science does not know anything about. There is not a doctor existing in the world today that can do anything for a man that has multiple sclerosis. The only thing he can do is to give you an idea of about how long you may live. It is a progressive disease that no one can do anything about, and until we make a mass attack on some of these killing diseases of humanity we are never going to find the answer, because the work is not being done at the present time. I am just as sure as I stand here today that the accomplishment that we will be able to render the people of our country by appropriating this $2,000,000 cannot be termed in numbers of dollars, only in the relief of the suffering and the pain of the millions afflicted with this disease at the present time.

Intensified research in the field of arthritis and metabolic diseases offers exceptional opportunity for success. Recent important research discoveries and tools, such as cortisone, radioactive isotopes for tracer work, and electron microscopy, have provided bases and methods previously unknown with which to work. As I indicated, immediate results, notably in the metabolic diseases, would have a direct effect in improving military medicine and sustaining civilian health.

A comprehensive research program covering fundamental investigations, development, and production of drugs and therapeutic agents, clinical trials and application, with specific attention to arthritis and other metabolic diseases, is planned. These would be undertaken by qualified scientists, supported by grants-in-aid, and by those now and to be employed at the National Institutes of Health.

Research on rheumatoid arthritis and related diseases will receive additional emphasis and support, not only because of their high incidence but because of their singularly tragic and crippling effects. Efforts will be made to increase the supply of remedial drugs, to develop improved methods of diagnosis, to investigate causes and possible prevention of these diseases.

The success of cortisone and of ACTH—adrenocorticotropic hormone—in treatment of rheumatoid arthritis and other diseases call for increased attention to isolation and manufacture of similar compounds. Research to determine the course of these compounds in the body, as well as organs involved, must be undertaken through intensive laboratory and clinical testing. In this connection I want to relate the case of penicillin, which is directly in point. Following the realization of the potentialities of this antibiotic, production and more production was ordered. From September 1941 until March 1945 production difficulties were met and finally conquered. In large part, these program aims were achieved through coordination by the Office of Scientific Research and Development. By 1943, when chemical procedures had been fairly well standardized, production in the small pilot plants had increased to 40,000,000 units a month from 10,000,000 in 1942. It was then time to build factories, and priorities were issued in 1943 by the War Production Board. Defense Plant Corporation financed construction costs where needed and the Public Health Service undertook testing of products. The result of the completed integrated venture is told succinctly in Scientists Against Time, the history of OSRD, page 350—and I quote:

> Since the aim of the program was to produce penicillin, its success is best indicated by the figures of production. In evaluating these figures, 1,000,000 units may be taken as the average amount required to treat a single patient. In June 1943, 425,000,000 units were produced; in December 1943, 9,195,000,000 units, a twenty-two-fold increase; in June 1944, 117,527,000,000 units, a further thirteenfold increase; in December 1944, 293,376,000,000 units; in June 1945, 646,818,000,000 units. As production increased the cost of the product fell. A package of 100,000 units which originally sold at wholesale for $20 now sells for considerably less than $1, of which 20 percent is the cost of packaging.

Through this effort, sufficient quantities were provided for military and civilian use and at an extremely modest cost. The mobilization of both research and engineering talent to conquer a complex problem demonstrates, beyond guesswork, the need for providing support which can lead to a similar effort, if determined to be necessary.

In the event of large scale atomic or radiation attack, it will be of utmost importance to have supplies of blood or blood substitutes available. Research on blood substances and substitutes in shock and burn conditions must be continued. You may have heard about the recently announced discovery by PHS scientists of the efficacy of a saline solution which can be taken orally for treatment of thermal burns. This most significant addition to civilian defense has already been adopted by defense officials. Other blood research will analyze characteristics of white cells which change in different diseases, thus providing guides before and after operations. Blood work has been classed by the defense agencies as of prime importance at this time.

In neurology and blindness, the Service plans to attack not only specific diseases but to initiate a pioneering program emphasizing basic studies in disease identification, relationships and body reactions. Hopeless invalidism once characterized those afflicted with multiple sclerosis, epilepsy, cerebral palsy, and other neurological diseases. Today, new methods of rehabilitation, new treatments and drugs indicate miraculous improvement and freedom from utter dependency. But only a beginning has been made. Rehabilitation is based on trial and error—not on basic knowledge. Drugs are only partly successful, they aid only in certain forms of these disorders. There are no "cures" even in sight. Scarcely a start has been made on prevention. Research in the neurological disorders stands today about where research in the infectious diseases stood 30 years ago.

The $2,600,000 requested to start these programs would be used to organize the new institutes and to begin outside support to universities and research agencies to undertake complementary studies and to support instruction in clinical and research techniques. This aid is absolutely essential to increase the supply of specialized manpower and to stimulate entry of young scientists into these fields. Research grants will be awarded only after competent technical review by outside consultants and the Advisory Councils.

Of this sum, $250,000 would be used for grants for research in control and rehabilitation methods. Far-sighted physicians and social-service workers have long felt that research in and development of methods of home and clinic treatment of arthritic and rheumatic diseases is needed to enable the chronic and crippled individual to be a useful member of society. In neurology and blindness, special grants are equally essential for research in the initiation, development, and improvement of control and rehabilitation methods and devices. These grants to be awarded to qualified agencies, institutions, hospitals, and universities, will also be made on the recommendation of the appropriate National Advisory Council.

I cannot too strongly urge favorable action on a request which, in monetary terms, is extremely modest in proportion to the total defense expenditure. It must be evident, however, that in terms of its value, in terms of waging war and enjoying peace, it is one of the most profitable and productive investments we can make.

Mr. TABER. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. SCRIVNER].

Mr. SCRIVNER. Mr. Chairman, knowing the deep sincerity of the chairman of our subcommittee, of course, it is distasteful to me personally to find myself in opposition of his amendment. However, I would point out this, that this is not an urgent thing. These diseases have been suffered since the beginning of time.

We are concerned primarily now with the urgency of appropriations for military defense of this Nation without which even those people so suffering cannot live. It is quite possible, knowing the headway made with cortisone and ACTH, that by delaying this program until the regular appropriation comes in next year you may find that it will be possible to more clearly, succinctly, and successfully set this program up so that there will be a greater understanding of the problem, a greater understanding of the possibilities thereof. Of course, I might point out that this is just a very small camel that is getting a very small nose under the tent. But, before this program is over it will run into many, many millions of dollars, and this is merely one of the social activities for which there were no budgeted funds which must at this particular time give way to the urgent demands for military defense.

Mr. TABER. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, there is no budget estimate for this item. When we approach a problem of this kind I like to see it done carefully, especially in times when we need every dollar there is. The amendment itself that has been offered indicates that it has not had careful consideration because it calls for $2,665,000 to operate an activity which would have to start not earlier than the 1st of February and continue through about 5 months. The whole request that is going to be allowed by the budget for next year is only $3,000,000. Now, it has been handled on such an elaborate basis that it shows the trouble we get into when we attempt to do things without them being properly budgeted and without having the facts developed so that we know where we are at. We ought not to adopt amendments and embark upon programs that are going to cost many millions of dollars when we need every dollar for defense.

Mr. FOGARTY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Rhode Island.

Mr. FOGARTY. In view of the fact that the budget allocated $3,000,000 for this fiscal year, it was justified.

Mr. TABER. That was for a whole year.

Mr. FOGARTY. No.

Mr. TABER. This is for 5 months. That is all that could be available for it. It is so elaborate and so beyond all reason that I do not see how the House could give it favorable consideration.

Mr. FOGARTY. The budget did justify $3,000,000 for this fiscal year.

Mr. TABER. I wonder if the gentleman feels that $3,000,000 for 1 year is the same as $2,600,000 for 5 months.

Mr. FOGARTY. The $3,000,000 was not for 1 year, because the bill was not signed into law until August 15, and this was justified on the basis of starting sometime around the first of October. This amount I have is only $2,600,000.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Missouri is recognized for 5 minutes.

Mr. CANNON. Mr. Chairman, this is a very appealing amendment. It has a very laudatory purpose. I wish we had means to take care of it. I wish we could do something about it. But, Mr. Chairman, there is a stream of butchered and suffering men pouring back from the front every day. And we are borrowing the money to take care even of these. To ask us to divert funds from the hospitalization of the human wreckage being steadily ground out at the front is one of the most absurd and unreasonable propositions ever offered on this floor.

Mr. Chairman, St. Paul said, "This one thing I do." That is what the American people must reiterate today, "This one thing we do. We must win this war." We must devote our time and resources to that one task until the Nation is safe. In order to do it, we must quit spending money for anything not directly connected with, and contributing to, the success of the war. We do not have money enough for essential military needs and services, much less money enough to waste on other things, however desirable they may seem at the time.

Mr. Chairman, we must have some teamwork on this floor. We must have some coordinated effort on the part of Members here to spend the small amount of money we have left where it will do the most good in defense of the Nation. I trust we will have the support of all patriotic Members to that effect.

I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Rhode Island [Mr. FOGARTY].

The question was taken; and on a division (demanded by Mr. FOGARTY) there were—ayes 26, noes 59.

Mr. CANFIELD. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

Mr. FOGARTY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOGARTY: On page 8, after line 12, insert:

"PUBLIC HEALTH SERVICE

"Grants for hospital construction: Section 1214 of the General Appropriation Act, 1951, shall not be applicable during the fiscal year 1951 to the item 'Grants for hospital con-

struction' contained in chapter V of said act."

Mr. CANNON. Mr. Chairman, I make the point of order against the amendment that it is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from Rhode Island desire to be heard on the point of order?

Mr. FOGARTY. I do not, Mr. Chairman.

The CHAIRMAN. The Chair has examined the amendment offered by the gentleman from Rhode Island [Mr. FOGARTY] against which the gentleman from Missouri [Mr. CANNON] has made a point of order. It appears to the Chair rather clearly that the amendment seeks to amend existing law. Therefore, it would be legislation on an appropriation bill, in violation of the rules of the House. The Chair sustains the point of order.

Mr. FOGARTY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOGARTY: On page 8, after line 12, insert:

"PUBLIC HEALTH SERVICE

"Grants for hospital construction: For construction grants under part C, title VI, of the Public Health Service Act, as amended, $75,000,000, to be allotted to the several States as provided in such part C, except that such amount shall be available during the fiscal year 1951 only to the extent necessary to bring the allotments to the several States during such fiscal year to the total basis of $150,000,000, as authorized."

HOSPITAL SURVEY AND CONSTRUCTION PROGRAM

Mr. FOGARTY. Mr. Chairman, there is probably not one Member of Congress who is not familiar with the Hospital Survey and Construction Act and the accomplishments of this program in all the States and Territories since its inception on August 13, 1946. As chairman of the Appropriations Subcommittee hearing this program, I have become more particularly interested in the program, its objectives and accomplishments.

It was in the period just prior to and at the beginning of our Nation's activities in World War II that the acute shortage of adequate health facilities for those of our people who needed hospital care became apparent. Not only was there a lack of hospital beds but the distribution of beds as indicated by the location of hospitals showed the greatest need to be in the rural areas and those areas close to industrial centers.

Recognizing the inadequacy of our hospital plant, leaders in the health field joined with public-spirited citizens, acquired the support of the American Medical Association, and established a Commission on Hospital Care under the auspices of the American Hospital Association. This commission studied the Nation's hospital resources and made recommendations concerning a long-range plan for providing adequate hospital facilities. The Congress passed the Hill-Burton Act in 1946 which provided for a program of hospital survey and construction in all the States and Territories. This act provided for a joint Federal, State, and community effort. The program has, in general, been proceeding most satisfactorily. In 4 years of operation 72,000 hospital beds have been added. Over 300 projects have been completed and are in operation. Over 1,500 projects have been approved and over 800 of these are currently under construction. However, over 800,000 additional hospital beds are still necessary to meet the minimum needs for hospital services in this country. This estimate does not take into consideration the increased need due to the present international situation.

You will recall that the amendments to the Hospital Survey and Construction Act passed by the Eighty-first Congress, increased from $75,000,000 to $150,000,000 the contract authority for hospital construction. The Eighty-first Congress also provided for a similar contract authority of $150,000,000 through 1955. The action by this Congress in continuing the contract authorization at $150,000,000 for fiscal year 1951 despite attempts to reduce it was a unanimous one. I believe it was a gratifying recognition of the success of the program to date and recognized importance of adequate hospitals to the Nation's health. One cannot challenge the fact that a healthy nation is a strong nation.

The action by this Congress was important since it assured the States and the local communities of the support of their government in their plans for hospital construction. This is extremely important in view of one of the program's primary objectives, namely national planning. Each State continues to survey its hospital needs and to revise and develop its plans, thinking always of the needs of city and town. The development of an orderly construction program must include the needs for special facilities such as mental disease, chronic disease and tuberculosis, as well as those relating to general hospitals. In planning for good hospital programs designed to provide adequate hopsital service for our total population, it would seem that the States should have adequate assurance of Federal support.

You will further recall that the Public Health Service and the State agencies administering this program operated under continuing resolutions as authorized by Congress during the first 2 months of the present 1951 fiscal year. In so doing, the several State agencies made grant commitments to hundreds of communities throughout the Nation on the basis of contract authority of $150,000,000. Project sponsors in these communities on the basis of grant commitments from their respective State agencies entered into specific contracts. The contracts related to the acqusition of sites, preparation of architectural plans and specifications, engineering services, conduct of fund raising campaigns, the authorization and sale of bonds and other related contractual operations, thus committing a substantial portion of the sponsor's share of project costs. The States and communities had every reason to assume that the Congress and the Executive Branch of Government would observe its commitments, particularly since it was this very Congress which last year expanded the program and in the spring voted the full one hundred and fifty million contract authorization. Nevertheless, the Bureau of the Budget in implementing section 1214 of the General Appropriations Act which required a five hundred and fifty million savings chose to cut this program in half by establishing a reserve of $75,000,000 against the $150,000,000 voted by the Congress. The effect upon State and community planning and upon the program in general is almost immeasurable. The many months, and in some cases, years of planning are completely disrupted.

The State agencies administering the program have had to revise their schedules for the present fiscal year. I am advised that in so doing over 450 projects scheduled for inclusion in the 1951 program—over 450 communities are having to have their projects postponed to a later fiscal year or in some instances, completely eliminated from the program. These projects would provide over 22,000 hospital beds to the Nation's critical bed supply. Over 150 of these communities have raised their own funds from local subscriptions, bond issuances, or local taxation and must now await Federal funds in ensuing fiscal years. In other localities the situation is even more serious. There are 88 communities distributed over 31 States which have acquired sites, raised local funds, and proceeded with architectural plans into the final drawing stage. Many more have in fact acquired sites, employed architects, raised funds, or otherwise obligated themselves. In these instances local obligations have been incurred, relying upon the good faith of the Congress. We cannot permit them to feel that we, the same Representatives in the same Congress, let them down.

Not only did the establishment of a $75,000,000 reserve for the present fiscal year seriously disrupt the program, but in support of this action the information issued is misleading. A number of State governors were advised that there was a balance of approximately ninety-one million dollars available from 1950 funds and that the $75,000,000 to this $91,000,000 would exceed the $150,000,000 required for the 1951 program. Similarly, press notices appearing in newspapers throughout the Nation noted a carry-over of $92,000,000 to the present fiscal year.

However, you are aware that contract-authorization amounts for this program, made available by the Congress for a given fiscal year, remain available during a 2-year period. Thus the 1950 contract authorization for hospital construction—available for obligation during a 2-year period—was $150,000,000. At the end of the first year of availability—June 30, 1950—$58,000,000 had been committed to projects under construction by that date. Seventy million to projects not under construction, with a balance of twenty-two million not specifically earmarked to projects. These latter two items total ninety-two million. The program, of course, continued to operate since the funds were available for another full fiscal year. By September 12, 1950, when the reserve was established, of

these 1950 funds, eighty-five million was committed to projects under construction, sixty million to projects not yet under construction, leaving a balance of approximately five million. However, it must be emphasized that neither the ninety-two million nor the sixty million represent free and available balances. Of these funds, all but five million had been committed to projects sponsors and applicants—communities which, relying upon commitments or initial approval of their projects by the State agencies and the Public Health Service, proceeded to acquire sites, raised funds through bond issues and other means, hired architects and consultants, and proceeded with the detailed preparation of construction plans and specifications. The remaining balance of five million could be regarded as a reserve for change-order increases during construction. Virtually all of the 1950 funds had been committed and were therefore not available for the 1951 program; the statements, therefore, that larger sums were available for the 1951 program is misleading, and at best represent a failure to correctly understand the program.

Lest it be thought that I am supporting needless expenditure on the home front in the light of the national crisis, may I point out the national defense aspects of hospital construction activities. It may be regarded as providential that the hospital survey and construction program is adding hospitals in the rural areas to a larger extent than in the urban areas. Of approximately 1,500 projects already approved three-fourths are for general hospital construction and about one-half of these are for completely new hospitals. At least 75 percent of these new general hospital projects are located in places with populations below 10,000. There is a trend that shows that physicians are establishing their practices in these small towns instead of remaining in the urban areas as has been the pattern during the past two decades. The modern medical practice requires instruments of precision, X-ray facilities and laboratories. These modern hospitals include such facilities and permit medicine to be practiced on the high level being taught in our medical schools. Adequate health facilities attract adequately trained health workers and result in better patient care in areas which previously did not have physicians. Today we need more than ever adequate hospitals in the areas outside of the larger centers of population. Need I spell out in detail why I make that statement. I do not think it necessary. Times such as those of today when our international, national, and personal tranquillity has been unbalanced means that we must find ways and means of preserving the very basis of our democracy, the most precious possession our democracy cherishes, namely, the individual. I point out that the health of that individual is one of our greatest assets and must be guarded. Our whole economy is dependent upon the health and productiveness of that individual.

In a geared-up production period so essential to our existence in the world today there will be shortages of material and manpower in all fields. Plans and methods pertaining to this vital subject are occupying many of us in this Congress. I have no doubt that they will be adequate for the job to be done. I submit that we will have sufficient materials and manpower available during this period of the greatest productivity this Nation has ever known to permit the underpinning of all our essential resources. It is inconceivable to me that we would permit deficiencies in materials, supplies, and manpower to limit the building of vital health facilities which are so greatly needed. Facilities for the health of our people; the care of the sick; the hospital care of those needing it; the public health services needed must be available. The maintenance of the health properly conducted is an essential commodity at any time. In times of stress, in times of a possible catastrophe either from physical forces or from bacterial forces brought about either by man or by nature we need the protective influence of adequate health resources properly organized and conducted.

The fact that we need at present more, better, and serviceable health facilities—hospitals, health centers, and community clinics cannot be disputed. A review of the State plans as required by the Hill-Burton Act, Public Law 725, Seventy-ninth Congress and as amended by Public Law 380, Eighty-first Congress shows that a minimum need of over 800,000 hospital beds should be added to the 1,000,000 beds now in existence. We must achieve that goal even for a peacetime existence. The Hill-Burton program is geared to that end. Let us not now further handicap ourselves by postponing these efforts through permitting that program to be cut back to $75,000,000 in 1951. The Federal Government has an obligation to work with the States and local communities in carrying out this program as planned. We cannot, we should not shirk our responsibility. We must keep our covenant with the people of this country.

I have studied this matter and I have developed a great appreciation of the need for adequate health facilities. I am prepared to offer at this time an amendment which will permit the hospital survey and construction program to continue to go forward. It is with a feeling of great pride that I seek to keep our covenant with the citizenry of this precious democracy.

The C. AIRMAN. The time of the gentleman from Rhode Island [Mr. FOGARTY] has again expired.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes, 2 minutes to be reserved to the committee and 3 minutes to the gentleman from New York [Mr. TABER].

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

Mr. CANNON. Mr. Chairman, this is, in effect, the same proposition presented by the last amendment. Even in prosperous times, when we had no appreciable debt and had no war in the offing, we made no appropriation for such items as this. Now we have the most stupendous debt the world ever saw and a menacing war situation confronting us. We are already giving them $75,000,000—money we do not have—money that is needed in the war program.

These civilian hospitals are nondefense items. They are local responsibilities and should be supported by the localities which they serve. The local municipalities, counties, and States are solvent and are operating in the black, while the Federal Government is in the red and going deeper every day. We should use this money where it is really needed, for field hospitals, base hospitals, first-aid stations at the front, and for veterans' hospitals, and let the communities take care of their own civilian hospitals. The bill before us is a bill for national defense. It is to be hoped no further inroads will be made on the funds from which the defense items must be appropriated.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. CANNON] has expired.

The gentleman from New York [Mr. TABER] is recognized for 3 minutes.

Mr. TABER. Mr. Chairman, this same money was appropriated last year in the bill and it presently is impounded in the Treasury of the United States by the President because in looking the picture over he did not believe that the necessity for this fund was as great as the necessity for the expenditure for the war effort.

I may say that in my own territory there was a case where they wanted some of this money but could not get it because it was impounded. They went out and raised the money themselves to build their own hospital facilities, and did build them. They can do it everywhere else if they will.

I hope that we will not upset the picture that the President has created in here. The $75,000,000 was once made available. We should not try to make another $75,000,000 available when the President impounded the first.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Rhode Island [Mr. FOGARTY].

The amendment was rejected.

The Clerk read as follows:

Page 1, line 17: The first proviso in the paragraph under the head "United States Maritime Commission, ship construction" in the Independent Offices Appropriation Act, 1951, is hereby amended by striking out "December 31, 1950" and inserting in lieu thereof "June 30, 1951."

Mr. NORRELL. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. NORRELL. Mr. Chairman, I make the point of order against the language beginning after the comma following the figures "1951" and reading as follows: "is hereby amended by striking out 'December 31, 1950' and inserting in lieu thereof 'June 30, 1951,'" that it is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from Missouri desire to be heard on the point of order?

Mr. CANNON. We concede the point of order, Mr. Chairman.

The CHAIRMAN. The gentleman from Missouri concedes the point of order; the point of order is sustained.

Mr. THOMAS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this matter was threshed out in the committee this morning. The action just taken is the action of our distinguished chairman, acting through the gentleman from Arkansas [Mr. NORRELL]. Some other language, Mr. Chairman, is also subject to a point of order and I make it against the entire paragraph; then I want to offer an amendment.

The CHAIRMAN. Does the gentleman mean to strike the paragraph?

Mr. THOMAS. Yes, that paragraph and the next one, all of it dealing with the Maritime Commission.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas to strike out the language?

Mr. TABER. Mr. Chairman, reserving the right to object, that would cover the rest of the paragraph and the following paragraph after that to which a point of order is pending?

The CHAIRMAN. The gentleman will please indicate the language that he wants stricken.

Mr. THOMAS. All of the language under that head pertaining to the Maritime Commission.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. STEFAN. Mr. Chairman, reserving the right to object, I think the Committee ought to know what language is being stricken. I ask that the language that is to be stricken be read.

The CHAIRMAN. The chairman has requested the gentleman from Texas to read the language that he has included in his request. The Clerk will read it.

The Clerk read as follows:

DEPARTMENT OF COMMERCE

MARITIME ACTIVITIES

Ship construction

The first proviso in the paragraph under the head "United States Maritime Commission, ship construction" in the Independent Offices Appropriation Act, 1951, is hereby amended by striking out "December 31, 1950," and inserting in lieu thereof "June 30, 1951."

Appropriations and contract authority made available to the United States Maritime Commission for ship construction in the fiscal years 1950 and 1951, and in addition thereto $224,000,000, including not to exceed $500,000 which may be transferred to the appropriation "Salaries and expenses" for necessary administrative costs without regard to limitations thereon in said appropriations, and including not ot exceed $15,000,000 for the construction, activation, acquisition and expansion of plants or facilities, on land whether owned by the Government or otherwise owned, shall be available, without regard to the provisions of the Merchant Marine Act of 1936 with respect to essential trade routes, for construction of such additional dry-cargo vessels as the Secretary of Commerce, with the approval of the President, shall find necessary for national security: *Provided*, That such additional vessels shall not be subject to the first proviso under the head "New ship construction" in the Independent Offices Appropriation Act, 1950, or the last proviso under the head "Ship construction" in the Independent Offices Appropriation Act, 1951.

Salaries and expenses

Limitations under the head "Salaries and expenses," United States Maritime Commission, in the Independent Offices Appropriation Act, 1951, are amended as follows: "Maintenance of shipyard facilities" is increased from "$452,000" to "$483,000," and "Maintenance and operation of terminals" is decreased from "$765,000" to "$734,000."

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. CASE of South Dakota. Mr. Chairman, reserving the right to object, and I do this because I think the Members would like to know what is going on. The reason it was necessary to have this read was so that Members might get some idea of what is proposed to be stricken by the request of the gentleman from Texas. The language which has been read constitutes an amendment that was adopted in the full committee this morning. The printed copies of the bill available to the Members of the House do not show that language, so that the only way we can tell what is here being done is either to understand what the Clerk has just read or to ask the gentleman from Texas to explain what he proposes to do. May I say this as the basis for reserving the right to object? The budget as it was presented to the subcommittee made available certain balances for the construction of some faster ships, cargo ships, estimated to be from 10 to 14 knots. The gentleman from Texas proposed in the subcommittee the addition of some additional funds to the other balances which would have made possible the construction of a large number of cargo vessels. I anticipate—perhaps I should not anticipate—that the purpose of the gentleman from Texas in asking that this language be stricken is that he wants to offer some language which would be in order that would make possible the purpose that he sought to accomplish by adding the other money, but which was stricken out here on a point of order that was made by the gentleman from Arkansas.

I should like to yield to the gentleman from Texas if he cares to state whether or not that is the fact, and then I shall withdraw my reservation of objection.

Mr. THOMAS. Our distinguished friend who will soon leave us and go to the Senate has stated it correctly. Of course, the language that was stricken on the point of order by the gentleman from Arkansas was the budget language. No one raised that question before in committee this morning and, of course, it is subject to a point of order.

Mr. CASE of South Dakota. I withdraw my reservation of objection, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMAS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. THOMAS: Page 9, after line 16, insert "Department of Commerce, maritime activities, ship construction:

For the construction of cargo vessels in accordance with the provisions of the Merchant Marine Act of 1936, as amended, $350,000,000."

Mr. THOMAS. Mr. Chairman, that very simple language that you have just heard read appropriating $350,000,000 is exactly the same that we did in about 20 lines in the bill as reported from the committee.

May I give you the history back of it? The language that was stricken on the first point of order took the vitals out of the first half of it, namely, about $126,000,000.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Nebraska.

Mr. STEFAN. The gentleman struck some additional language, salaries and expenses. Would that be affected by the present amendment?

Mr. THOMAS. No, sir, because the same amount of money is included in this exact language. Here is the problem, and I will state it to you very frankly. We are trying to build some fast cargo ships. The Maritime Administration, under its new cleaned-house management, I might say, have developed these plans whereby we can build some 20- to 22-knot ships. They will go unescorted.

This is the most economical ship that we can possibly have; not only economical in money but economical in saving manpower of the Navy and everybody else concerned in the escorting of ships. We are told by the Maritime Administration that we need several hundred of these ships. We were also told that they will be built on the Atlantic coast, the Gulf coast, and the Pacific coast, and that it will take 11 to 14 months to build them. I plead with you, my colleagues, we have heard many fine speeches today on national defense. Let us not have it hurled at us again, "Too little, too late." Eleven to fourteen months is a tremendously long time to wait to build these ships. We ought to have them now. Of course, we have 1,600 what we call ugly ducklings laying up on the Atlantic coast, the Pacific coast, and the Gulf coast, last war's ships. Certainly we used poor judgment in building them, because we cannot give them away now. Industry cannot use them. They are too slow. They will make only 10 knots. They have to go escorted, and when they go escorted, they make only 7½ knots. It has been testified by the experts in the Maritime Administration that they are the most expensive ships we can possibly have. Of course, we are going to use most of them. We are going to use them where the ships do not have to go escorted, and bring in such materials as bauxite and other heavy, bulky cargoes, moving the ships up and down our coastlines, to South America, and so forth. This is purely a national defense item. The subcommittee voted for it unanimously, and it was adopted by the full committee. I ask your support of it.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. PHILLIPS of California. Mr. Chairman, I rise to support the chairman of the subcomimttee in his statement, and in his request that this amendment be adopted. The Maritime Commission, under new leadership and direction, went to the Budget Bureau and then came to the Congress asking for an extension of time in order that they might use all funds available at the present time to build a new and faster type of cargo ship. The motion of the gentleman from Arkansas was to strike out that request and to stop the building of any new-type vessels after December 31 of this year. I do not believe that was his intention. I believe he would have offered some substitute motion. The subcommittee hearing the evidence from the present Maritime direction realized that the figures had been made up by the Bureau of the Budget prior to the present break in the war situation in Korea, and we decided it was necessary to give the Maritime Commission permission, and money, to start building more of the faster type ships if we are to have them available for the use of men and materials when they will be needed.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. PHILLIPS of California. Mr. Chairman, I move to strike out the last word.

Continuing my statement, Mr. Chairman, the subcommittee, therefore, feeling that this was a matter of time if we are to have vessels ready, when it would take a year or more to build them, and if it is necessary to open shipyards in order to build them. It will be necessary to have enough ships under construction to keep the work going and train the men, so we felt that it was desirable to give this agency more money than actually had been requested by a Budget Bureau which had acted upon a situation prior to the present situation in Korea.

I hope, therefore, that the House will vote as the Appropriations Committee voted upon the same matter in the committee meeting this morning, and vote to adopt the amendment offered by the gentleman from Texas [Mr. THOMAS].

Mr. NORRELL. Mr. Chairman, I rise in opposition to the amendment.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. NORRELL. I yield.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in not to exceed 10 minutes after the expiration of the time of the gentleman from Arkansas, one-half of the time to be controlled by the gentleman from Missouri and one-half by the gentleman from New York [Mr. TABER].

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. THOMAS. I object.

Mr. NORRELL. Mr. Chairman, the membership of the House is entitled to know why the point of order was made a while ago on the two paragraphs. Of course there is no law authorizing such appropriation. The reason there is not is that the budget which was submitted to the committee contained no estimate for these ships. It did contain a fine all-around program of shipbuilding and other national-defense articles. There was no budget estimate for this amount. If this amendment is adopted there will be no estimate from the budget providing the $350,000,000 involved here. It is not in the President's budget. It has been vetoed by the Joint Chiefs of Staff of the defense forces of the United States. There is a reason for that, and the reason is that there are now in storage over 2,000 commercial ships not being used. They do not need them and have not even called them out yet. Are we going to spend $350,000,000 not authorized by the President, not mentioned and provided by the budget, and vetoed by the Joint Chiefs of Staff at a time when we have over 2,000 commercial ships in storage and not in use I say to you that we should follow the recommendation of the Joint Chiefs of Staff with reference to the activities of the War Department during this war.

Mr. TABER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this is an item which the committee has put in with a budget estimate. My understanding of the actual situation is that the Maritime Commission has made a contract for a set of plans which perhaps are not quite completed, with the Bethlehem Steel Co., shipbuilding division. They propose to build a ship which will have a speed of 20 knots.

Mr. THOMAS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. THOMAS. May I say to my friend I think he is in error when he says there was no budget estimate. There was a budget estimate for 16 of the ships. Your subcommittee, and incidentally the gentleman from Arkansas did not hear one word of that testimony, and is not a member of the subcommittee. As I was saying, your subcommittee took that budget estimate and built it up and authorized 34 more, making a total of 50 on the theory that we should not be too little and too late.

Mr. TABER. I think that is correct. They expect that these ships will cost $6,000,000 each, but for budget purposes they want $7,500,000. I would be willing to go ahead on what the Budget suggested, just about $100,000,000; but when you make it two hundred and fifty or three hundred and fifty million more than the Budget asked for, for a ship that has never been built and nobody knows how well it will work, it is a little difficult for me to follow that kind of business. It looks to me as if they were asking so much money that they would be so cumbersome in their operation and so ridiculous in going into things that have not been tried on a very large scale, that we ought not to do it. I hope the amendment will not be agreed to.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. PHILLIPS of California. The gentleman from Arkansas [Mr. NORRELL] made the statement that we had available at the present time several thousand vessels. I would like to ask the gentleman if he knows exactly, so that a correction can be made on that.

Mr. TABER. I think we have 1,600 so-called Liberty ships in mothballs, ready to be fixed up.

Mr. PHILLIPS of California. Not necessarily in mothballs, but just lying around.

Mr. TABER. Well, they are supposed to be ready. Then they have about 125 of the so-called Victory ships that have not been placed in commission.

Mr. PHILLIPS of California. How fast are those ships?

Mr. TABER. Oh, they are perhaps 15 knots.

Mr. PHILLIPS of California. In other words, the Liberty ship is the slowest ship, and that will make about 10 knots, and the other about 15.

Mr. TABER. That is correct.

Mr. PHILLIPS of California. Those results are not satisfactory in wartime, are they?

Mr. TABER. Neither are the others that are designed, because the Snorkel submarines are supposed to go 26 knots. These that are designed are only supposed to go 20 on a surface run, and once in a while, under forced draft, 21 or 22. That is where the trouble comes in. You are asking for a more expensive ship than the ones you have got, and you are not solving the question.

Mr. REDDEN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. REDDEN. The gentleman from Arkansas [Mr. NORRELL] said the Joint Chiefs of Staff vetoed the production of these ships. Could the gentleman tell us on what ground they vetoed the production of these ships?

Mr. TABER. Well, I do not know whether they vetoed it or not. All I know is that they approved the budget with an estimate for about 15 of these ships. I may be wrong. It may be 16, or something like that, whereas this would call for something like 70.

The CHAIRMAN. The time of the gentleman from New York [Mr. TABER] has expired.

Mr. CANNON. Mr. Chairman, I move that all debate on this amendment, and all amendments thereto, do now close.

The CHAIRMAN. The question is on the motion offered by the gentleman from Missouri.

The question was taken; and on a division (demanded by Mr. GORE) there were—ayes 83, noes 114.

So the motion was not agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. THOMAS) there were—ayes 42, noes 61.

So the amendment was rejected.

Mr. HAND. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HAND: On page 9, after line 17, insert a new paragraph to read as follows:

"Federal assistance in major disasters: To carry out Public Law 875, Eighty-first Congress, an act to authorize Federal assistance to States and local governments in major disasters, and for other purposes, approved September 30, 1950, the sum of $5,000,000."

(Mr. HAND asked and was given permission to revise and extend his remarks.)

Mr. HAND. Mr. Chairman, this amendment really is offered in a sense to test the good faith of our body and of the administration. On September 30, 1950, the act was passed, Public Law 875, which provided for Federal assistance to States and local governments in the event of a major disaster.

Section 2 of that act defines a major disaster to mean a flood, hurricane, storm, or other catastrophe in any part of the United States which in the determination of the President threatens to be of sufficient severity to warrant Federal aid.

Whether or not you agree with the wisdom of passing the act, it was passed by the Congress and approved without any substantial opposition on September 30, 1950. A very short time after it was approved, in fact, November 25, 1950, a storm of almost unexampled severity struck in virtually all parts of the United States. I am concerned with the effects of that storm which devastated large areas in my district, not only for the district which I represent, but for other districts which were likewise severely affected by the emergency. For example, part of my district is now flooded with water. There are required sand bags at least as an emergency measure to prevent further floods. There is a very considerable loss of life in one of my counties on the Delaware Bay shore. There has been a tremendous loss involving millions of dollars of property on the Atlantic shore in my area.

As I say, whether or not you feel this type of legislation is such that the Congress ought to pass or whether you feel the States should take care of their own emergencies, even though they may be of a catastrophic nature, the fact is that the Congress passed that Act. After the storm on November 25, we came down to see whether or not we could get relief under the Act which this Congress passed and I found upon inquiry that the administration and the Congress never implemented it by an appropriation of money required and authorized by the act.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. HAND. I yield to the gentleman from Nebraska.

Mr. STEFAN. I am somewhat familiar with that act because I, too, have floods in my district, but I believe there are some funds remaining on hand which are not expended as yet. Has the gentleman appeared before the proper agency?

Mr. HAND. I may say to the gentleman from Nebraska that my impression is that under a previous act which was repealed by this act, there were some small funds remaining, but my official information is to the effect that the $5,000,000 authorized by this act which we passed on September 30 have never been appropriated. If we are acting in good faith the appropriation should be made because the act was passed for the very purpose of taking care of the situation which struck many of us on November 25.

Mr. STEFAN. Has the gentleman appeared before an agency to secure some of the unexpended balance or before the committee to ask for an appropriation?

Mr. HAND. I may say to the gentleman that I have not because my impression is the funds remaining are entirely inadequate. Indeed, the funds authorized by this act on a national basis are likewise inadequate.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. HAND. I yield to the gentleman from Pennsylvania.

Mr. RICH. The gentleman will find that funds were appropriated but the President impounded them recently and they cannot be spent for the purpose for which they were intended. It seems to me if we can afford to give money to all these countries all over the world we ought to be able to do something for our own people back in the States of New Jersey, Pennsylvania, and other States.

Mr. HAND. Of course, I certainly agree with the gentleman. I may say further that on wiring the President for action under this act he wrote me a very sympathetic letter saying he would like to act if he could and that he would make an investigation. As I said before, I really want to test our good faith. Did we pass this act on September 30 as merely a useless gesture or merely as a sop to make the localities or States think we were going to do something for them or did we mean business? If we meant business, here is our opportunity. We are in the emergency now and here is an opportunity to implement that law which we passed by the appropriation of a comparatively small sum compared with the total bill we are discussing. All we ask is $5,000,000.

Mr. Chairman, I ask for favorable consideration of my amendment.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, this of course is a new program, it is a nondefense item and there is no budget estimate for it. Nor was it included in the program sent down to us by the Defense Department. It may be said further that the weather experienced here in the last few weeks is mild compared with the weather experienced by our armies in North Korea the last few weeks.

This is neither the time nor the bill for an item of this character. I trust the amendment will be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. HAND].

The amendment was rejected.

The Clerk read as follows:

TENNESSEE VALLEY AUTHORITY

For an additional amount, $64,500,000, to remain available until expended: *Provided*, That purchases and contracts for supplies or services may be made by the Authority during the fiscal year 1951 without regard to any provisions of law relating to advertising or competitive bidding.

Mr. TABER. Mr. Chairman, I make a point of order against the proviso on line 9, running down to line 12 on page 11 that it is legislation on an appropriation bill.

Mr. GORE. Would the gentleman withhold the point of order until I could plead with him and give him the reasons why the subcommittee put this in?

Mr. TABER. I will withhold it.

Mr. GORE. The Atomic Energy Commission called upon the Tennessee Valley Authority to build at the quickest possible moment a huge steam plant to furnish power for the gaseous diffusion plant producing uranium—U235—at or near Paducah, Ky. The TVA said that with the greatest possible speed the steam plant could not be producing power as quickly as needed by the AEC production facilities, and that if they were forced to resort to competitive bidding they might not find a supplier who could supply the generators and the turbines quickly enough to meet the emergency schedule. Therefore, this language is necessary in order to meet the urgent dead line given by the Atomic Energy Commission. I plead with the gentleman not to make his point of order.

Mr. TABER. You see, they originally had a budget estimate of $84,000,000; then they dropped down to $75,600,000 and now they are down to $64,500,000.

Mr. GORE. That was the action of the subcommittee as a result of a modification of plan by the AEC.

Mr. TABER. Indicating that they did not know what they were doing. It would seem like, if they followed business methods, they might get down even further. It would seem to me that we should insist on that point of order.

The CHAIRMAN. Does the gentleman desire to be heard further on the point of order?

Mr. GORE. If the gentleman insists on the point of order it must, in my opinion, be sustained, but I do feel that the gentleman will make a grievous error in insisting upon it.

The CHAIRMAN. Does the gentleman from New York insist on his point of order?

Mr. TABER. I insist on my point of order, Mr. Chairman.

The CHAIRMAN. The gentleman from New York makes the point of order that the language referred to is legislation on an appropriation bill. The gentleman from Tennessee concedes the point of order.

The Chair sustains the point of order.

Mr. CASE of South Dakota. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: Page 11, after line 12, insert a new section, as follows:

"RENEGOTIATION OF CONTRACTS

"SEC. 602. (a) All negotiated contracts for procurement in excess of $1,000 entered into during the current fiscal year by or on behalf of the Atomic Energy Commission and the Tennessee Valley Authority, and all subcontracts thereunder in excess of $1,000, are hereby made subject to the Renegotiation Act of 1948 in the same manner and to the same extent as if such contracts and subcontracts were required by such act to contain the renegotiation article prescribed in subsection (a) of such act. Each contract and subcontract made subject to the Renegotiation Act of 1948 by this section shall contain an article stating that it is subject to the Renegotiation Act of 1948. In determining whether the amounts received or accrued to a contractor or subcontractor during his fiscal year from contracts and subcontracts subject to the Renegotiation Act of 1948 amount in the aggregate to $100,000, receipts or accruals from contracts and subcontracts made subject to such act by this section shall be added to receipts or accruals from all other contracts and subcontracts subject to such act.

"(b) Notwithstanding any agreement to the contrary, the profit limitation provisions of the act of March 27, 1934 (48 Stat. 503, 505), as amended and supplemented, shall not apply to any contract or subcontract which is subject to the Renegotiation Act of 1948.

"(c) The authority, in the Renegotiation Act of 1948, of the Secretary of Defense with respect to contracts entered into by the Department of Defense shall, with respect to contracts entered into by the Atomic Energy Commission, be vested in the Atomic Energy Commission, and shall, with respect to contracts entered into by the Tennessee Valley Authority, be vested in the Tennessee Valley Authority."

Mr. CASE of South Dakota (interrupting the reading of the amendment). Mr. Chairman, inasmuch as the balance of the amendment is technical in nature, I ask unanimous consent that the further reading be dispensed with and that it be printed at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. GORE. Mr. Chairman, I reserve a point of order against the amendment.

Mr. CASE of South Dakota. Mr. Chairman, the Members of the House who are familiar with the history of renegotiation during World War II will recognize the term. Early in World War II, by amendment to the Sixth Supplemental Defense Act of 1942, we instituted renegotiation to curb war profiteering. It started as a rather simple amendment but was expanded into a considerable statute. The result of that, however, was that during World War II the Government made recovery of something over $10,000,000,000 in cash, to say nothing of improved forward pricing on new contracts.

When we had under consideration the special appropriation bill in the spring of 1948 to provide for supplemental appropriations for the national defense, and in particular where we provided the additional funds to set up a 70-group air force, the House adopted an amendment I offered which reinstated renegotiation for those funds and any funds consolidated therewith. So, as has been brought out, and as I brought out during the debate on the tax bill the other day, renegotiation is in effect with respect to contracts let by the defense establishment for the Army, Navy, and Air Force because of the funds that have been consolidated with the money that was provided in the special Supplemental Appropriation Act of 1948.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. REED of New York. Was that renegotiation confined to the contracts for that 70-group air force?

Mr. CASE of South Dakota. No; it applied to all the money that was provided in that 1948 bill which included other branches of the Defense Establishment. The language in that act also provided that those funds should be consolidated with other funds and the commingling of those funds has continued renegotiation. This was brought out in a colloquy I had with the gentleman from Georgia [Mr. VINSON] when we put into effect some of the first Korean emergency legislation last summer.

This proposal now offered is to extend renegotiation to the Atomic Energy Commission and to the Tennessee Valley Authority.

Mr. THOMAS. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Texas.

Mr. THOMAS. Would the gentleman's amendment do any more than bring the TVA and the Atomic Energy Commission under the terms of the Renegotiation Act?

Mr. CASE of South Dakota. That is all it does. It brings TVA and the Atomic Energy Commission under renegotiation the same as the Defense Establishment is. There is reason for it from the Government's standpoint, and that is so that we shall not permit excessive profits where we are turning vast sums over to the Atomic Energy Commission on estimates that one of their members said in the hearings were high, wide, and handsome.

Mr. THOMAS. If my memory serves me correctly, the Atomic Energy Commission stated at the hearings that they had no objection to being brought under the terms of the Renegotiation Act.

Mr. CASE of South Dakota. That is correct.

Mr. THOMAS. The TVA representatives said that also, but that they would like the privilege of going back to their main office and studying the proposition, later giving us a letter on it. Whether or not they have given us a letter on it I do not know. I have not seen it.

Mr. CASE of South Dakota. I have their letters on it, and the pertinent sentences are:

From a letter by Gordon Dean, Chairman of the AEC, under date of December 11, 1950, I read:

At the outset we would like to state that the Commission is fully in accord with the objective of renegotiation legislation which is to prevent excessive profits derived from defense contracts. * * * If H. R. 9564 were enacted and if the Commission were brought within its terms, a uniformity of policy and interpretative decisions on renegotiation would result.

The letter from TVA is dated December 8, 1950, and was signed by Gordon R. Clapp, Chairman of the Board. The gist of it is in these sentences:

While we believe it is less important to the Government to make TVA contracts subject to renegotiation than those of other agencies, we would have no objection to the renegotiation of our contracts if the renegotiation proceedings were conducted by some other agency or agencies. We understand that it has been the policy in the past for the Government agency having the largest volume of contracts with a particular supplier to handle the renegotiation proceedings with that supplier for all Federal agencies.

From the standpoint of the contractor, this amendment should be in the bill, because many of the construction contractors are doing business with the Defense Establishment where the contracts are subject to renegotiation, but if they build for the Atomic Energy Commission they are not subject to renegotiation on that portion of their business. Their whole business should be treated alike from the standpoint of the contractor and from the standpoint of the Government.

This is one way to curb excessive war profits; it is an essential step in the prevention of excessive war profits.

Mr. REED of New York. Mr. Chairman, will the gentleman yield further?

Mr. CASE of South Dakota. I yield.

Mr. REED of New York. Is there not another reason, that it is an emergency and the contractors do not know themselves how much their profits or losses will be?

Mr. CASE of South Dakota. That is exactly true.

Mr. REED of New York. Consequently the Defense Department tells them to go ahead regardless, and they will adjust it later.

Mr. CASE of South Dakota. Yes. That was the origin of renegotiation, to have a device where we could keep up all speed and yet make it possible to protect the Government. The subcommittee discussed this matter. It was brought to the attention of the agencies in our hearing. The amendment is offered with the approval of the gentleman from Texas, the chairman of our subcommittee. It has been drafted by those who are familiar with existing law and who are experienced in such matters. It seeks simply to put the contracts of the Atomic Energy Commission and the Tennessee Valley Authority under the same law that applies to the funds of the Defense Establishment.

I ask for the adoption of the amendment.

Mr. GORE. Mr. Chairman, I seek recognition and further reserve my point of order.

Mr. Chairman, the amendment offered by the distinguished and able gentleman from South Dakota, is a lengthy, complicated, and far-reaching one. I have

tried to read and analyze it at the Clerk's desk. It contains some 250 or 300 words of technical language. It operates as an amendment of the renegotiation law. That is a subject which is even now being considered by the Committee on Ways and Means. I am sure the distinguished gentleman has a worthy purpose in mind. I do not know that I would disagree in any respect with the objective which he seeks, but I am not sure what the objective is and I am not sure what the effect will be, nor do I believe any Member of this body, other than perhaps the author of the amendment himself, has such knowledge. Therefore, I feel, in the name of orderly procedure, we should not adopt here by way of a quickie amendment a far-reaching amendment to the renegotiation law, which I favor.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. GORE. I yield; but before the gentleman speaks, may I take this opportunity to congratulate the gentleman and the people of his State upon the promotion given to him and the great honor that has come to him. I want to say that although the gentleman's retirement from this body will be a great loss, the other body will gain a most valuable Member who in due time will become one of its outstanding and most valuable Members.

Mr. CASE of South Dakota. Mr. Chairman, when a gentleman prefaces his yielding to another gentleman with language like that, it always cramps the style of the Member who is yielded to in making a point which in any sense modifies the earlier remarks of the gentleman yielding.

Mr. GORE. Having served on the committee with my beloved friend for so long I know how delicately he can cramp a man's style. But I am not attempting to do so in this case. My remarks are genuinely and sincerely made.

Mr. CASE of South Dakota. Nevertheless, Mr. Chairman, I do appreciate very much the remarks of the gentleman. I cannot at this time take the time of the House to respond in that particular but I certainly do appreciate them and as well as the other very many kind remarks that Members have been making, either personally or in the deliberations of this body at various times.

However, Mr. Chairman, with respect to this matter, I was hoping the gentleman would not insist upon his point of order in order that the matter might go before the other body. Renegotiation of contracts started that way. The very first amendment which instituted renegotiation was a very simple one which did not have very much detail in it. But it was accepted by the House in March of 1942, and the details were worked out by the other body.

As a result of that we accomplished great savings. If we do not do this at this time then these contractors who are getting these contracts will not be on notice, and the contracts will not carry the clause proposed in the amendment that every such contract shall carry a clause making it subject to the Renegotiation Act of 1948. In view of the fact that the defense establishment is operating under that, and in view of the fact further that the Atomic Energy Commission and the TVA people both in their correspondence have said that they are in favor of the principle and have no objection to coming under the renegotiation law, I was hoping the gentleman would not insist upon his point of order, and permit it to be initiated at this time.

Mr. GORE. In reply, permit me to say I have no objection to the objectives which I think the gentleman has in mind. However, it is not the TVA or the Atomic Energy Commission which by this amendment will be brought under the renegotiation law. It is an amendment of the renegotiation law the extent of which is not now apparent to me. It is a far-reaching amendment, and I believe the Committee on Ways and Means, representing this body, will give careful consideration to the proposal and will report proper legislation covering the matter very soon. In fact, the committee has already completed hearings on the subject.

Mr. CASE of South Dakota. This does not amend the renegotiation law except to bring the Atomic Energy Commission and the TVA under it. It does not change the way it operates at the present time with respect to the Defense Establishment.

Mr. GORE. Again, let me say that the renegotiation law applies to contracts. It is not a question of applying it to Government agencies.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. GORE. I yield.

Mr. CARROLL. Will the $18,000,000 we are about to vote on be subject to the renegotiation clause which existed in other appropriation bills?

Mr. GORE. To the extent that the renegotiation law would apply; yes. The committee of which the gentleman is a distinguished member will, I am advised, soon have the whole question of the renegotiation law under further study.

Mr. CARROLL. If the gentleman will permit one further question. With reference to the military program in this appropriation bill, Is it subject to renegotiation legislation existing in other appropriation bills at the present time?

Mr. GORE. I believe that statement is true with respect to a large percentage of the bill.

Mr. Chairman, I insist on the point of order.

Mr. CASE of South Dakota. The $17,000,000 will be subject to renegotiation, but the billion for TVA and the Atomic Energy Commission will not be.

The CHAIRMAN. The gentleman from South Dakota [Mr. CASE] has offered an amendment which has been reported. The gentleman from Tennessee [Mr. GORE] has made a point of order against the amendment, on the ground that it contains legislation on an appropriation bill.

Mr. CASE of South Dakota. Mr. Chairman. I concede the point of order.

The CHAIRMAN. The gentleman concedes the point of order, and therefore the Chair sustains the point of order.

The Clerk will read.

The Clerk read as follows:

AIRCRAFT AND RELATED PROCUREMENT

"Aircraft and related procurement", including construction, procurement, and modification of aircraft and equipment, armor and armament, spare parts and accessories therefor; electronic and communication equipment, detection and warning systems, and specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land without regard to section 1136, Revised Statutes, as amended, for the foregoing purposes, and such land, and interests therein, may be acquired and construction prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; industrial mobilization, including maintenance of reserve plants and equipment and procurement planning; and other expenses necessary for the foregoing purposes, including rents, transportation of things and personal services in the field; to remain available until expended; $2,114,700,000: *Provided*, That the aircraft procurement program heretofore established for the fiscal year 1951 is further increased by $2,114,700,000.

[Mr. HINSHAW addressed the Committee. His remarks will appear hereafter in the Appendix.]

The Clerk concluded reading the bill.

Mr. WHITE of California. Mr. Chairman, I am going to vote for this bill to arm this Nation, but I should like to offer a humble suggestion for a change in basic policy for the Nation.

In my opinion, we have enough to do to enforce the Monroe Doctrine to protect the Western Hemisphere from aggression.

I am opposed to sending our sons to die all over the world in a war that solves nothing more than did World Wars I and II. We should reduce our commitments to defending this hemisphere. That program we may be able to carry out. The present program of our country trying to stop war wherever it breaks out is insane and foolhardy. I want my sons to live to defend their own country—not to die in a war in foreign fields. I feel sure I speak for many other fathers and mothers in this Nation.

Mr. CANNON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that it do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, had directed him to report the bill back to the House with the recommendation that the bill do pass.

Mr. CANNON. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. MARCANTONIO. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MARCANTONIO. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MARCANTONIO moves to recommit H. R. 9920 to the Committee on Appropriations with instructions to report the bill back to the House forthwith with the following amendment: Page 31, after the period in line 4 insert the following: "*Provided*, That none of the funds appropriated in this act shall be paid to any person, partnership, firm, or corporation which denies equality in employment because of race, color, or creed."

Mr. CANNON. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken and on a division (demanded by Mr. MARCANTONIO) there were—ayes 1, noes 219.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed and a motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 2733. An act to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Canadian River reclamation project, Texas.

CANADIAN RIVER RECLAMATION PROJECT, TEXAS

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2733) to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Canadian River reclamation project, Texas, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That, for the purposes of irrigating land, delivering water for industrial and municipal use, controlling floods, providing recreation and fish and wildlife benefits, and controlling and catching silt, the Secretary of the Interior, acting pursuant to the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto), is authorized to construct, operate, and maintain the Canadian River reclamation project, Texas, described in the report of the Commissioner of Reclamation approved by the Secretary May 3, 1950, entitled 'Plan for Development, Canadian River Project, Texas,' project planning report No. 5–12.22–1, at an estimated cost of $86,656,000, the impounding works whereof shall be located at a suitable site on the Canadian River in that area known as the Panhandle of Texas. In addition to the impounding works, the project shall include such main canals, pumping plants, distribution and drainage systems, and other works as are necessary to accomplish the purposes of this act. The use by the project of waters arising in Ute and Pajarito Creeks, N. Mex., shall be only such use as does not conflict with use, present or potential, of such waters for beneficial consumptive purposes in New Mexico.

"SEC. 2. (a) Notwithstanding any recommendations in the above-mentioned report to the contrary, only the costs of construction allocable to flood control and, upon approval by the President of a suitable plan thereof, to the preservation and propagation of fish and wildlife, and operation and maintenance costs allocable to the same purposes, shall be nonreimbursable.

"(b) Actual construction of the project herein authorized shall not be commenced, and no construction contract awarded therefor, until (1) the Congress shall have consented to the interstate compact between the States of New Mexico, Oklahoma, and Texas agreed upon by the Canadian River Compact Commission at Santa Fe, N. Mex., December 6, 1950, in conformity with Public Law 491, Eighty-first Congress, and (2) repayment of that portion of the actual cost of constructing the project which is allocated to municipal and industrial water supply and of interest on the unamortized balance thereof at a rate (which rate shall be certified by the Secretary of the Treasury) equal to the average rate paid by the United States on its long-term loans outstanding at the time the repayment contract is negotiated minus the amount of such net revenues as may be derived from temporary water supply contracts or from other sources prior to the close of the repayment period, shall have been assured by a contract satisfactory to the Secretary, with one central repayment contract organization, the term of which shall not exceed 50 years from the date of completion of the municipal and industrial water supply features of the project as determined by the Secretary.

"(c) The repayment contract shall provide, among other things, (1) that the holder thereof shall have a first right, to which right the rights of the holders of any other type of contract shall be subordinate, to a stated share or quantity of the project's available water supply for use by its constituent industrial and municipal water users during the repayment period and a permanent right to such share or quantity thereafter subject to payment of such costs as may be incurred by the United States in its operation and maintenance of any part of the project works; (2) that, subject to such rules and regulations as the Secretary may prescribe, the care, operation, and maintenance of such portions of the pipeline and related facilities as are used solely for delivering such water to the contract holder, and its constituent organizations shall, as soon as is practicable after completion of the municipal and industrial water supply features of the project, pass to the contract holder or to an organization which is designated by it for that purpose and which is satisfactory to the Secretary; and (3) that title to such portions of the pipeline and related facilities shall in like manner pass to the contract holder or its designee or designees upon payment to the United States of all obligations arising under this act or incurred in connection with the project.

"SEC. 3. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be required to carry out the purposes of this act."

Mr. GUILL. Mr. Speaker, the spirit of cooperation prevailed today in the House of Representatives and in the other body. They extended to the Panhandle of Texas the opportunity to, some day, realize a dream that will eventually culminate in the construction of the Canadian River dam. The efforts of many men have been put forth in trying to make this dream become a reality. I think this is the time to commend each of them individually, and the people of the Panhandle of Texas can thank the teamwork in the House and the Senate for making this legislation possible.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. MARTIN of Massachusetts. Mr. Speaker, may I inquire of the majority leader as to the program of next week?

Mr. McCORMACK. On Monday we will have the call of the Consent Calendar, and if any of the following bills do not pass by unanimous consent, they will be taken up under suspension of the rules:

H. R. 9802, granting succession to the War Damage Corporation. That bill comes from the Committee on Banking and Currency.

H. R. 9900, vocational rehabilitation of the armed services, extending Public Law 16, for those in the service now.

H. R. 9911, the Servicemen's Indemnity Act of 1950.

H. R. 8848, a bill providing for a survey of the prisoners of World War II, the effects of undernourishment, and so forth, upon them.

I shall ask unanimous consent that it be in order to consider, on Monday, District bills, and if granted, there will be two bills.

Mr. MARTIN of Massachusetts. The gentleman can do that now.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that on Monday next it may be in order to consider District bills.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. The first District bill is Senate Joint Resolution 209, the District rent-control bill, extending it in conformity with the national action.

S. 1122, to amend the code relating to children born out of wedlock.

Tuesday is undetermined, but I have no knowledge of any legislation on that date.

On Wednesday we will take up H. R. 9798, the civilian-defense bill. I talked with the chairman of the Committee on Armed Services. He expected it to be reported out Monday by his committee

and asked me to bring it up Wednesday, which I am doing.

Then there is a public-works bill, H. R. 9893, coming out of the Committee on Armed Services. Chairman VINSON gave me the same information relative to that bill.

Thusday and Friday are undetermined. Any further program will be announced later, although at this time I know of none.

Mr. MARTIN of Massachusetts. Can the gentleman tell us what the program is for Christmas?

Mr. McCORMACK. I will come to that. Conference reports, of course, may be called up at any time.

In relation to Christmas: The best information I can get on the tax bill in the Senate is that it will be reported out of the Senate committee tomorrow, the report to be filed in the Senate on Monday, with the intention, as I understand, of bringing it up Tuesday. How long it will be debated there, of course, I cannot state; I would not undertake to. But it is hoped that if they get through Wednesday or Thursday at the latest, it will go to conference. If the conference report is not agreed upon by Friday of next week, then it is the intention to bring it up on January 1 and to adjourn from Friday of next week until Tuesday of the following week, from Tuesday until Thursday and from Thursday until January 1.

I have no knowledge of any legislation that would come up the week after next. I think it advisable for us to adopt that procedure even if we could adjourn, say, on Friday next. I think it is perhaps the better procedure for the Congress to be in session rather than taking an adjournment sine die in the light of the situation as it exists.

Mr. MARTIN of Massachusetts. When will the conference on the appropriation bill that we just passed be apt to come up?

Mr. McCORMACK. Probably the chairman can tell us.

Mr. MARTIN of Massachusetts. I yield to the gentleman.

Mr. CANNON. That, of course, will depend on action taken by the Senate. As soon as the Senate messages it back, we will immediately go to conference. That should not be long. I take for granted that will be before the Christmas holidays.

Mr. McCORMACK. That is the best information I can give at the moment, and it is definite. I like to be as definite as I possibly can when giving information to the House.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AMENDMENT OF SECTION 26 (D) (6) OF INTERNAL REVENUE CODE

Mr. CAMP. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9794) to amend section 26 (d) (6) of the Internal Revenue Code.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That Section 22 (d) (6) of the Internal Revenue Code be amended as follows:

"(A) Adjustment of net income and resulting tax—years beginning prior to January 1, 1948: If, for any taxable year beginning after December 31, 1940, and prior to January 1, 1948, the closing inventory of a taxpayer inventorying goods under the method provided in this subsection reflects a decrease from the opening inventory of such goods for such year, and if the taxpayer elects, at such time and in such manner and subject to such regulations as the Commissioner with the approval of the Secretary may prescribe, to have the provisions of this paragraph apply, and if it is established to the satisfaction of the Commissioner, in accordance with such regulations, that such decrease is attributable to the involuntary liquidation of such inventory as defined in subparagraph (C), and if the closing inventory of a subsequent taxable year, ending prior to January 1, 1956, reflects a replacement, in whole or in part, of the goods so previously liquidated, the net income of the taxpayer otherwise determined for the year of such involuntary liquidation shall be adjusted as follows:

"(i) Increased by an amount equal to the excess, if any, of the aggregate cost of such goods reflected in the opening inventory of the year of involuntary liquidation over the aggregate replacement cost; or

"(ii) Decreased by an amount equal to the excess, if any, of the aggregate replacement cost of such goods over the aggregate cost thereof reflected in the opening inventory of the year of the involuntary liquidation.

The taxes imposed by this chapter and by chapter 2 for the year of such liquidation, for preceding taxable years, and for all taxable years intervening between the year of liquidation and the year of replacement shall be redetermined, giving effect to such adjustments. Any increase in such taxes resulting from such adjustments shall be assessed and collected as a deficiency but without interest, and any overpayment so resulting shall be credited or refunded to the taxpayer without interest."

SEC. 2. Section 22 (d) (6) of the Internal Revenue Code is amended by the addition of the following:

"(B) Adjustment of net income and resulting tax—years beginning after June 30, 1949: If, for any taxable year beginning after June 30, 1949, and prior to January 1, 1954, the closing inventory of a taxpayer inventorying goods under the method provided in this subsection reflects a decrease from the opening inventory of such goods for such year, and if the taxpayer elects, at such time and in such manner and subject to such regulations as the Commissioner with the approval of the Secretary may prescribe, to have the provisions of this paragraph apply, and if it is established to the satisfaction of the Commissioner, in acordance with such regulations, that such decrease is attributable to the involuntary liquidation of such inventory as defined in subparagraph (D), the net income of the taxpayer otherwise determined for the year of such involuntary liquidation and for the year of replacement shall, with respect to goods involuntarily liquidated, be adjusted as follows:

"(i) Adjustment of net income for the year of involuntary liquidation: (a) Increased by an amount equal to the excess, if any, of the aggregate cost of such goods reflected in the opening inventory of the year of involuntary liquidation over the aggregate replacement cost of such goods for the year of involuntary liquidation; or (b) decreased by an amount equal to the excess, if any, of the aggregate replacement cost of such goods for the year of involuntary liquidation over the aggregate cost thereof reflected in the opening inventory of the year of involuntary liquidation; and

"(ii) Adjustment of net income for the year of replacement: (a) Increased by an amount equal to the excess, if any, of the aggregate replacement cost of such goods for the year of liquidation over the aggregate replacement cost thereof for the year of replacement; or (b) decreased by an amount equal to the excess, if any, of the aggregate replacement cost of such goods for the year of replacement over the aggregate replacement cost of such goods for the year of liquidation.

As used in this subparagraph, the term "aggregate replacement cost" for the year of involuntary liquidation means the average cost of goods of the kind involuntarily liquidated that were purchased, manufactured, or otherwise produced by the taxpayer during such year or, in the absence of such cost for the year of liquidation, the average cost of such goods purchased, manufactured, or otherwise produced in the latest preceding taxable year in which such purchase, manufacture, or production occurred. If, in any taxable year, goods involuntarily liquidated have been partially replaced and an adjustment has been made for such replacement under subdivision (ii) of this subparagraph, no further adjustment shall be made under subdivision (ii), of this subparagraph with respect to such replaced goods, unless in a year following such partial replacement there has occurred an involuntary liquidation to which the provisions of this subsection are applicable. If the closing inventory of the taxpayer for the last taxable year ending prior to January 1, 1956, does not reflect a complete replacement of the goods involuntarily liquidated, the net income of the taxpayer otherwise determined for the year of involuntary liquidation shall be further adjusted, with respect to the goods not replaced, as follows:

"(iii) Increased by an amount equal to the excess, if any, of the aggregate replacement cost of such goods for the year of involuntary liquidation over the aggregate cost thereof reflected in the opening inventory of the year of involuntary liquidation; or

"(iv) Decreased by an amount equal to the excess, if any, of the aggregate cost of such goods reflected in the opening inventory of the year of involuntary liquidation over the aggregate replacement cost of such goods for the year of involuntary liquidation. The taxes imposed by this chapter and by chapter 2 for the year of liquidation, for preceding taxable years, for the year of replacement, and for all taxable years intervening between the year of liquidation and the year of replacement, shall be determined or redetermined, as the case may be, giving effect to the adjustments prescribed in this paragraph. Any increase in such taxes resulting from adjustments to net income under subdivisions (iii) and (iv) of this subparagraph shall be assessed and collected as a deficiency but any overpayment so resulting shall be credited or refunded to the taxpayer without interest."

SEC. 3. That section 22 (d) (6) of the Internal Revenue Code be amended as follows:

"(C) Definition of involuntary liquidation—years beginning prior to January 1, 1948: The term "involuntary liquidation," as used in this subparagraph, means the sale or other disposition of goods inventoried under the method described in this subsection, either voluntary or involuntary, coupled with a failure on the part of the taxpayer to purchase, manufacture, or otherwise produce and have on hand at the close of the taxable year in which such sale or other disposition occurred such goods as would, if

81ST CONGRESS
2D SESSION

H. R. 9920

IN THE SENATE OF THE UNITED STATES

DECEMBER 18 (legislative day, NOVEMBER 27), 1950
Read twice and referred to the Committee on Appropriations

AN ACT

Making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, namely:

CHAPTER I

LEGISLATIVE BRANCH

HOUSE OF REPRESENTATIVES

For payment to Mary Watts Meyer, widow of Herbert A. Meyer, late a Representative from the State of Kansas, $12,500.

CHAPTER II

DEPARTMENT OF JUSTICE

Legal Activities and General Administration

salaries and expenses, general legal activities

For an additional amount for "Salaries and expenses, general legal activities", $400,000.

Immigration and Naturalization Service

salaries and expenses

For an additional amount for "Salaries and expenses", $3,000,000; and appropriations made under this head for the fiscal year 1951 shall be available for the purchase of twenty additional passenger motor vehicles.

DEPARTMENT OF COMMERCE

Bureau of Foreign and Domestic Commerce

export control

For an additional amount for "Export control", $925,000; and the limitation under this head in the Department of Commerce Appropriation Act, 1951, on the amount available for transfer to the appropriation, "Salaries and expenses", Office of the Secretary, is increased from "$40,000" to "$55,000".

Bureau of Public Roads

inter-american highway

For necessary expenses of continuing the survey and construction of the Inter-American Highway, in accordance

with the provisions of the Act of December 26, 1941 (55 Stat. 860), as amended by section 11 of the Federal-Aid Highway Act of 1950, including the purchase, for replacement only, of five passenger motor vehicles, $4,000,000, to remain available until expended.

National Bureau of Standards

construction of laboratories

For an additional amount for "Construction of laboratories", $1,400,000, to remain available until expended; and the amount of the contract authorization granted under this head in the Department of Commerce Appropriation Act, 1951, is reduced from "$5,675,000" to "$3,915,000": *Provided,* That the General Services Administrator is authorized to provide for use by the Department of Commerce, without reimbursement, of not to exceed 100,000 square feet of floor space (to be designated by the Secretary of the Navy) of the former United States Naval Hospital, Corona, California, as a guided-missiles laboratory, and thereafter $1,540,000 of the amounts appropriated under this head shall be available for (1) such modifications, improvements, and equipment of existing buildings and facilities at said location, as are necessary to permit their use for a guided-missiles laboratory (which shall be in lieu of the new construction authorized for such purpose by Public Law 386, approved October 25, 1949), and (2)

other administrative expenses necessary for the establishment of said laboratory, including moving expenses, travel, and transportation of dependents and household effects: *Provided further,* That with the exception of the establishment and operation of a cafeteria, no community or recreational facilities shall be established or operated by the Department of Commerce in connection with said activities except as may be specifically authorized by law.

CHAPTER III

TREASURY DEPARTMENT

Salaries and Expenses, Division of Disbursement

For an additional amount for "Salaries and expenses, Division of Disbursement", $300,000.

Bureau of Customs

For an additional amount for "Salaries and expenses", $225,000.

Secret Service Division

For an additional amount for "Salaries and expenses, Secret Service Division", $82,000: *Provided,* That appropriations granted under this head for the fiscal year 1951 shall also be available for the protection of the vice president.

Salaries and expenses, White House Police

For an additional amount for "Salaries and expenses, White House Police", $49,000; and appropriations granted under this head for the fiscal year 1951 shall be available

for employment of additional personnel without regard to the limitation contained in section 2 of the Act of August 15, 1950 (Public Law 693).

Coast Guard

OPERATING EXPENSES

For an additional amount for "Operating expenses", $18,600,000; and appropriations made under this head for the fiscal year 1951 shall be available for the purchase of seventy-four additional passenger motor vehicles: *Provided*, That limitations under this head in the Treasury Department Appropriation Act, 1951, are increased as follows: Number of aircraft on hand, from "one hundred and ten" to "one hundred and thirteen"; number of enlisted men detailed for duty at Coast Guard Headquarters, from "thirty" to "fifty-five"; and the amount that may be expended for recreation, amusement, comfort, and contentment of enlisted personnel of the Coast Guard, from "$190,000" to "$250,000".

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

For an additional amount for "Acquisition, construction, and improvements", $7,900,000, to remain available until expended.

RETIRED PAY

Appropriations made under this head for the fiscal year 1951 shall be available for the payment of obligations incurred during prior fiscal years for retired pay.

CHAPTER IV

DEPARTMENT OF LABOR

Bureau of Employment Security

GRANTS TO STATES FOR UNEMPLOYMENT COMPENSATION AND EMPLOYMENT SERVICE ADMINISTRATION

Appropriations made under this head for the fiscal year 1951 shall be available for grants to Puerto Rico and the Virgin Islands in accordance with the Act of June 6, 1933, as amended by the Act of September 8, 1950 (Public Law 775): *Provided,* That in lieu of grants for the purpose of securing office facilities and equipment, the Secretary of Labor may transfer to the Puerto Rico Employment Service any Veterans Employment Service office facilities and properties within Puerto Rico, including records, files, and office equipment.

FEDERAL SECURITY AGENCY

Office of Education

PROMOTION AND FURTHER DEVELOPMENT OF VOCATIONAL EDUCATION

Appropriations made under this head for the fiscal year 1951 shall be available for carrying out the provisions of the Act of March 18, 1950 (Public Law 462).

SOCIAL SECURITY ADMINISTRATION

SALARIES AND EXPENSES, BUREAU OF OLD-AGE AND SURVIVORS INSURANCE

The amount authorized to be expended from the Federal old-age and survivors insurance trust fund for "Salaries and expenses, Bureau of Old-Age and Survivors Insurance", by the Federal Security Agency Appropriation Act, 1951, as amended by the Supplemental Appropriation Act, 1951, is increased from "$53,988,000" to "$56,988,000".

NATIONAL MEDIATION BOARD

ARBITRATION AND EMERGENCY BOARDS

For an additional amount for "Arbitration and emergency boards", $175,000.

CHAPTER V

DEPARTMENT OF THE INTERIOR

SOUTHEASTERN POWER ADMINISTRATION

CONSTRUCTION

For construction and acquisition of transmission lines, substations, and appurtenant facilities, and for administrative expenses connected therewith, in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U. S. C. 825s), as applied to the southeastern power area, including

purchase (not to exceed five) and hire of passenger motor vehicles, $1,850,000, to remain available until expended.

BONNEVILLE POWER ADMINISTRATION

CONSTRUCTION

For an additional amount for "Construction", $1,450,000, to remain available until expended.

CHAPTER VI

INDEPENDENT OFFICES

ATOMIC ENERGY COMMISSION

For an additional amount, $840,000,000, and appropriations made under this head for the fiscal year 1951 shall be available for the purchase of not to exceed two hundred and fifty passenger motor vehicles, including replacements.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

CONSTRUCTION AND EQUIPMENT

For an additional amount for "Construction and equipment", $1,818,000, to remain available until June 30, 1952.

OFFICE OF THE HOUSING EXPEDITER

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $1,200,000; and the last proviso under this head in the Supplemental Appropriation Act, 1951, is amended to read as follows: "*Provided further*, That no part of this appro-

priation may be used to pay compensation of any employee in a grade higher than the grade of such employee on May 22, 1950, except when such employee is required to fill a bona fide vacancy occurring in such higher grade".

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $10,787,890, of which not exceeding $250,000 shall be available for equipment, and not exceeding $35,000 for travel expenses of special boards; and appropriations granted under this head for the fiscal year 1951 shall be available for the purchase of sixteen passenger motor vehicles of which one shall be for replacement.

SUBVERSIVE ACTIVITIES CONTROL BOARD

SALARIES AND EXPENSES

For necessary expenses, including services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not in excess of $50 per diem for individuals, $175,000.

TENNESSEE VALLEY AUTHORITY

For an additional amount, $64,500,000, to remain available until expended.

CHAPTER VII

DEPARTMENT OF DEFENSE

For additional amounts for appropriations under the Department of Defense, as follows:

Office of the Secretary of Defense

"Salaries and expenses", $1,000,000; and the limitation under this head in the Defense Appropriation Act, 1951, on the amount available for emergency and extraordinary expenses, is increased from "$50,000", to "$60,000";

"Emergency fund", $50,000,000;

Department of the Army

For additional amounts for appropriations under the Department of the Army, as follows:

OFFICE OF THE SECRETARY OF THE ARMY

"Contingencies of the Army", $19,100,000;

FINANCE DEPARTMENT

Finance Service, Army:

"Pay of the Army", $695,200,000;

"Travel of the Army", $17,700,000;

"Finance service", $4,000,000;

QUARTERMASTER CORPS

Quartermaster Service, Army: *Provided*, That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952:

"Welfare of enlisted men", $7,500,000;

"Subsistence of the Army", $343,800,000;

"Regular supplies of the Army", $275,300,000;

"Clothing and equipage", $892,100,000, of which not to exceed $350,000,000 is for payment of obligations incurred under authority granted under this head in the Supplemental Appropriation Act, 1951, to enter into contracts for the purchase of 100,000,000 pounds of raw wool, woolen garments, fabrics, and knitting yarns for use of all the armed services, which contracts shall not exceed the amount herein appropriated for payment thereunder;

"Incidental expenses of the Army", $34,900,000;

TRANSPORTATION CORPS

"Transportation service, Army", $422,400,000;

SIGNAL CORPS

"Signal service of the Army", $665,100,000: *Provided*, That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

Alaska Communication System:

"Operation, maintenance, and improvement, etc.", $470,000, to remain available until June 30, 1952;

"Construction, etc.", including not to exceed $381,024 for family quarters at the Sheep Mountain, Gulkana, Johnson River, and Harding Lake repeater stations, $464,000, to remain available until expended;

MEDICAL DEPARTMENT

"Medical and Hospital Department", $71,000,000;

CORPS OF ENGINEERS

"Engineer service, Army", $656,600,000: *Provided,* That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

"Military construction, Army", to remain available until expended, $319,700,000;

ORDNANCE DEPARTMENT

"Ordnance service and supplies, Army", $4,003,500,000: *Provided,* That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952: *Provided further,* That the sum of $2,500,000 of the appropriation "Ordnance service and supplies, Army", 1942–1946, shall remain available until June 30, 1951, for the payment of obligations incurred under contracts executed thereunder prior to July 1, 1946;

CHEMICAL CORPS

"Chemical service, Army", $51,100,000: *Provided,* That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

ARMY TRAINING

"Army training", $3,600,000;

UNITED STATES MILITARY ACADEMY

Maintenance and Operation

"Maintenance and operation", $65,000;

CIVILIAN COMPONENTS

"Army National Guard", $28,100,000: *Provided,* That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

"Organized reserves", $10,900,000: *Provided,* That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

DEPARTMENTAL SALARIES AND EXPENSES

Salaries, Department of the Army:

"Office of the Chief of Staff", $370,713;

"Adjutant General's Office", $1,679,965;

"Office of the Inspector General", $4,202;

"Office of the Judge Advocate General", $17,530;

"Office of the Chief of Finance", $118,434;

"Office of the Quartermaster General", $604,154;

"Office of the Chief of Transportation", $178,725;

"Office of the Chief Signal Officer", $483,339;

"Office of the Provost Marshal General", $42,212;

"Office of the Surgeon General", $383,585;

"Office of the Chief of Engineers", $416,013;

"Office of the Chief of Ordnance", $408,576;

"Office of Chief, Chemical Corps", $187,442;

"Office of Chief of Chaplains", $5,110;

"Contingent expenses, Department of the Army", $9,300,000;

EXPEDITING PRODUCTION

"Expediting production", $575,000,000: *Provided,* That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

CIVILIAN RELIEF IN KOREA

For expenses, not otherwise provided for, necessary for emergency relief for the civilian population of Korea, including the procurement, operation, maintenance, and distribution of equipment, materials and services for informational and reorientation purposes; travel; and transportation; $100,000,000, to remain available until June 30, 1952: *Provided,* That materials and supplies available to the Department of Defense may be used for the purposes of this appropriation without reimbursement therefor;

DEPARTMENT OF THE NAVY

"Military personnel, Navy", $184,547,000;

"Military personnel, officer candidates", $469,000;

"Navy personnel, general expenses", $21,801,000;

"Military personnel, Marine Corps", $96,323,000;

"Marine Corps troops and facilities", $291,092,000, of

which $5,312,000 shall be derived by transfer from "Military personnel, Marine Corps Reserve, 1951";

"Aircraft and facilities", $158,520,000, of which $9,756,000 shall be derived by transfer from "Military personnel, Naval Reserve, 1951", and $4,781,000 by transfer from "Military personnel, Marine Corps Reserve, 1951";

"Construction of aircraft and related procurement", $156,360,000, to remain available until expended: *Provided,* That the aircraft procurement program established under this head in the Defense Appropriation Act, 1951, as increased by the Supplemental Appropriation Act, 1951, is further increased by $156,360,000;

"Ships and facilities", $383,005,000;

"Construction of ships", $335,330,000, to remain available until expended: *Provided,* That the limitations heretofore imposed under this head on the total of obligations to be incurred for construction, conversion, or replacement approved during the fiscal years 1950 and 1951, are repealed: *Provided further,* That the total of obligations incurred for construction, conversion, or replacement, approved between July 17, 1947, and June 30, 1951, shall not exceed $1,064,271,000;

"Ordnance and facilities", $707,009,000;

"Ordnance for new construction", $42,394,000, to remain available until expended: *Provided,* That the limitations

heretofore imposed under this head on the total of obligations to be incurred for armor, armament, and ammunition for construction, conversion, or replacement approved during the fiscal years 1950 and 1951 are repealed: *Provided further,* That the total of obligations incurred for armor, armament, and ammunition, for construction, conversion, or replacement, approved between July 17, 1947, and June 30, 1951, shall not exceed $356,123,000;

"Medical care", $27,705,000;

"Civil engineering", $78,701,000: *Provided,* That the limitations on purchase of passenger motor vehicles set forth under this head in the General Appropriation Act, 1951, and in Sec. 107 of the Supplemental Appropriation Act, 1951, are repealed;

"Public works (new)", $303,378,000, to remain available until expended;

"Research", $32,085,000, to remain available until expended;

"Service-wide supply and finance", $31,436,000;

"Navy stock fund": For additional working capital for the Navy stock fund, established pursuant to the National Security Act Amendments of 1949, $100,000,000;

"Service-wide operations", $48,440,000; and the limitation under this head in the Defense Appropriation Act, 1951, as increased by the Supplemental Appropriation Act,

1951, on the amount available for emergencies and extraordinary expenses, is further increased by $13,445,000;

"Island governments", $625,000;

DEPARTMENT OF THE AIR FORCE

For additional amounts for appropriations under the Department of the Air Force as established or adjusted pursuant to section 403 (b) of the National Security Act of 1947, as amended, as follows:

AIRCRAFT AND RELATED PROCUREMENT

"Aircraft and related procurement", including construction, procurement, and modification of aircraft and equipment, armor and armament, spare parts and accessories therefor; electronic and communication equipment, detection and warning systems, and specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land without regard to section 1136, Revised Statutes, as amended, for the foregoing purposes, and such land, and interests therein, may be acquired and construction prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; industrial mobilization, including maintenance of reserve plants and equipment and procurement planning; and other expenses necessary for the foregoing purposes, including rents, transportation of things and per-

sonal services in the field; to remain available until expended; $2,114,700,000: *Provided,* That the aircraft procurement program heretofore established for the fiscal year 1951 is further increased by $2,114,700,000;

MAJOR PROCUREMENT OTHER THAN AIRCRAFT

"Major procurement other than aircraft", including the procurement of supplies, materials, and equipment, and spare parts therefor, not otherwise provided for; electronic and communication equipment; and the purchase of passenger motor vehicles, $583,900,000, to remain available until expended: *Provided,* That the unexpended balances of funds appropriated to the Air Force for the foregoing purposes in the Defense Appropriation Act, 1951, and the Supplemental Appropriation Act, 1951, shall remain available until expended;

ACQUISITION AND CONSTRUCTION OF REAL PROPERTY

"Acquisition and construction of real property", including construction, installation, and equipment of temporary or permanent public works, military installations, and facilities for the Air Force, as authorized by the Act of March 30, 1949 (Public Law 30, Eighty-first Congress), the Act of October 27, 1949 (Public Law 415, Eighty-first Congress), as amended, the Act of May 11, 1949 (Public Law 60, Eighty-first Congress), and the Act of June 17, 1950 (Public Law 564, Eighty-first Congress), including construction

authorized by law, without regard to sections 1136 and 3734, Revised Statutes, as amended, and the land, and interests therein, may be acquired and construction may be prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; expenses necessary for planning projects not otherwise authorized; and hire of passenger motor vehicles; $807,000,000, to remain available until expended;

MAINTENANCE AND OPERATIONS

"Maintenance and operations", including expenses necessary for the maintenance, operation, and administration of the activities of the Air Force, including the United States Air Force Reserve and the Air Reserve Officers' Training Corps; maintenance, operation, and modification of aircraft; transportation of things; rents at the seat of government and elsewhere, and in administering the provisions of 43 U. S. C. 315q payments of rents may be made in advance; repair of facilities; field printing plants; hire of passenger motor vehicles; training and instruction of military and civilian personnel of the Air Force, including tuition and related expenses; pay, allowances and travel expenses of contract surgeons; utility services for buildings erected at private cost as authorized by law (10 U. S. C. 1346), and buildings on military reservations authorized by Air Force regulations to be used for welfare and recreational

purposes; rental of land or purchase of options to rent land without reference to section 3648, Revised Statutes, as amended, use or repair of private property, and other necessary expenses of combat maneuvers; organizational clothing and equipage; payment of exchange fees and exchange losses incurred by Air Force disbursing officers or their agents; losses in the accounts of Air Force disbursing officers as authorized by law (31 U. S. C. 95a; 50 U. S. C. 1705–1707; Act of July 26, 1947, Public Law 248); burial of the dead as authorized by law (10 U. S. C. 916–916d; 5 U. S. C. 103a), including remains of personnel of the Air Force of the United States who die while on active duty, travel allowances of attendants accompanying remains, and acquisition by lease or otherwise of temporary burial sites; conduct of schoolrooms, service clubs, chapels, and other instructional, entertainment, and welfare expenses for enlisted men, not otherwise provided for; expenses for inter-American cooperation as authorized for the Navy by the Act of August 2, 1946 (5 U. S. C. 421f), for Latin-American cooperation; payments of deficiency judgments and interests thereon arising out of condemnation proceedings heretofore instituted; and special services by contract or otherwise, $704,600,000;

MILITARY PERSONNEL REQUIREMENTS

"Military personnel requirements", including pay, allowances, clothing, subsistence, transportation, interest on deposits of enlisted personnel, payment of life insurance premiums, and travel in kind for cadets and all other personnel of the Air Force of the United States on active duty (other than personnel of the Reserve components, including the Air National Guard, on active duty while undergoing reserve training), including mileage, per diem allowances, reimbursement of actual expenses of travel, transportation of troops, commutation of quarters, subsistence supplies for issue as rations to enlisted personnel, cloth and materials and clothing for issue and sale, and clothing allowances, as authorized by law; and, in connection with personnel paid from this appropriation, for rental of camp sites and local procurement of utility services and other necessary expenses incident to individual or troop movements (including packing and unpacking and transportation of organizational equipment), ice, meals for recruiting parties, monetary allowances for liquid coffee for troops when supplied cooked or travel rations, altering and fitting clothing, and commutation of rations, as authorized by law, to enlisted personnel, including those sick in hospitals (to be paid to the surgeon

in charge); transportation, as authorized by law, of dependents, baggage, and household effects of personnel paid from this appropriation; transportation, or reimbursement therefor, of applicants for enlistment between places of acceptance for enlistment and recruiting stations, rejected applicants for enlistment, general prisoners, and discharged cadets; travel pay to discharged military personnel; transportation of persons discharged otherwise than honorably, prisoners upon each termination of confinement, and persons discharged from Saint Elizabeths Hospital after transfer thereto from the military service; commutation of quarters and rations to applicants for enlistment and general prisoners traveling under orders; rations for civilian employees when entitled thereto, applicants for enlistment, prisoners of war, and general prisoners; subsistence supplies for resale, as authorized by law; commutation of rations, as authorized by regulations, to applicants for enlistment, civilian employees entitled to subsistence at public expense, and general prisoners, while sick in hospitals (to be paid to the surgeon in charge); subsistence of supernumeraries necessitated by emergent military circumstances; issues of toilet articles and barbers' and tailors' material to general prisoners confined at military posts without pay and allowances, applicants for enlistment, and recruits upon first enlistment; civilian clothing and when necessary an overcoat, the cost of all not to exceed

$30, for each person upon each release from a military prison, each enlisted man discharged otherwise than honorably, each enlisted man convicted by a civil court for an offense resulting in confinement in a civil prison, and each enlisted man interned, or discharged without internment as an alien enemy; expenses of apprehension and delivery of deserters, stragglers, and escaped military prisoners; payment, in the discretion of the Secretary, of rewards (not to exceed $25 in any one case) for the apprehension of deserters; confinement of military prisoners in nonmilitary facilities; donations of not to exceed $25 to each civilian prisoner upon each release from a military prison, to each enlisted man discharged otherwise than honorably upon each release from confinement under court-martial sentence, and to each person discharged for fraudulent enlistment; expenses of courts, boards, and commissions; welfare; and medals and other awards; $264,700,000;

RESEARCH AND DEVELOPMENT

"Research and development", $115,000,000, to remain available until expended;

RESERVE PERSONNEL REQUIREMENTS

"Reserve personnel requirements", including pay, allowances, clothing, subsistence, and travel for personnel of the United States Air Force Reserve and the Air Reserve Officers' Training Corps, while on active duty undergoing

reserve training or while performing drills or equivalent duty, or undergoing training and instruction; and the procurement and issue of uniforms to institutions necessary for the training of the Air Reserve Officers' Training Corps, as authorized by law; $1,000, to remain available until June 30, 1952: *Provided*, That the unexpended balances of funds appropriated for the foregoing purposes in the Defense Appropriation Act, 1951, shall remain available until June 30, 1952;

CONTINGENCIES

"Contingencies", $13,110,000.

GENERAL PROVISIONS

SEC. 701. Notwithstanding any other provision of law, no part of any appropriation for the Department of Defense contained in this Act shall remain available until expended unless so provided in the appropriation concerned.

SEC. 702. Section 619 of the Defense Appropriation Act, 1951, is amended by deleting the words: "(other than on permanent change of station)".

SEC. 703. Payments by members of the United Nations for equipment, materials or services furnished in joint military operations shall be credited to proper appropriations of

the Department of Defense in the manner authorized by section 403 (b) of the Mutual Defense Assistance Act of 1949.

SEC. 704. The Secretary of Defense is authorized to employ not to exceed ten persons of outstanding experience and ability without compensation; and he is authorized to provide by regulation for the exemption of such persons from the operation of sections 281, 283, 284, 434, and 1914 of title 18 of the United States Code and section 190 of the Revised Statutes (5 U. S. C. 99). Persons appointed under the authority of this section may be allowed transportation and not to exceed $15 per diem in lieu of subsistence while away from their homes or regular places of business pursuant to such employment.

SEC. 705. Funds heretofore or hereafter appropriated under the appropriation title "Naval Petroleum Reserve Numbered 4, Alaska", Department of the Navy, shall be available for exploration and prospecting on Government-owned lands adjacent to the Naval Petroleum Reserve Numbered 4.

SEC. 706. None of the firearms, pistols, revolvers, shells, and cartridges purchased with funds appropriated for the

military departments by this or any other Act shall be subject to any tax imposed on the sale or transfer of such articles.

CHAPTER VIII

CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS

For payment of claims for damages as settled and determined by departments and agencies in accord with law, audited claims certified to be due by the General Accounting Office, and judgments rendered against the United States by United States district courts, the United States Court of Claims, and the Indian Claims Commission, as set forth in House Document Numbered 729, Eighty-first Congress, $5,274,034, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or in certain of the settlements of the General Accounting Office or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided,* That no judgment herein appropriated for shall be paid until it shall have become final and conclusive against the United States by failure of the parties to appeal or otherwise: *Provided further,* That, unless otherwise specifically required by law or by the judgment, payment of interest wherever appro-

priated for herein shall not continue for more than thirty days after the date of approval of this Act.

CHAPTER IX

GENERAL PROVISIONS

SEC. 901. No part of any appropriation contained in this Act, or of the funds available for expenditure by any corporation included in this Act, shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided,* That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further,* That any person who engages in a strike against the

Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation or fund contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: *Provided further,* That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further,* That, as applicable to the Department of the Interior, nothing in this section shall be construed to require an affidavit from any person employed for less than sixty days for sudden emergency work involving the loss of human life or destruction of property, and the payment of salary or wages may be made to such persons from applicable appropriations for services rendered in such emergency without execution of the affidavit contemplated by this section.

SEC. 902. Appropriations and funds made available by this or any other Act for salaries, wages, or compensation, for the fiscal year 1951, shall also be available for payment of any tax with respect thereto which is imposed on any department, agency, corporation, or other instrumentality of the United States, as an employer, by the provisions of the Social Security Act Amendments of 1950.

SEC. 903. This Act may be cited as the "Second Supplemental Appropriation Act, 1951".

Passed the House of Representatives December 15, 1950.

Attest: RALPH R. ROBERTS,

Clerk.

81ST CONGRESS
2D SESSION

H. R. 9920

AN ACT

Making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

DECEMBER 18 (legislative day, NOVEMBER 27), 1950
Read twice and referred to the Committee on Appropriations

Calendar No. 2679

81st Congress, 2d Session | SENATE | Report No. 2684

SECOND SUPPLEMENTAL APPROPRIATION BILL, 1951

DECEMBER 20 (legislative day, NOVEMBER 27), 1950.—Ordered to be printed

Mr. MCKELLAR, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 9920]

The Committee on Appropriations, to whom was referred the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made.

Amount of bill as passed House	$17, 809, 304, 424
Amount added by Senate (net)	2, 163, 758, 514
Amount of bill as reported to Senate	19, 973, 062, 938
Total estimates considered by the Senate (contained in H. Docs. Nos. 724, 726, 727, 729, 730, 731, 732, 733, and 735, and S. Docs. Nos. 242, 244, and 245)	19, 925, 666, 938

Comparison of budget estimates and the amounts recommended to be appropriated in the bill

Chapter	Department or agency	Budget estimates	Amount recommended by House bill	Amount recommended by Senate bill	Increase (+) or decrease (−) Senate bill compared with—	
					Budget estimates	House bill
I	Legislative branch		$12,500	$38,000	+$38,000	+$25,500
II	State, Justice, Commerce, and the Judiciary	$18,237,000	9,725,000	17,725,000	−512,000	+8,000,000
III	Treasury and Post Office	27,361,000	27,156,000	27,156,000	−205,000	
IV	Labor-Federal Security	175,000	175,000	75,175,000	+75,000,000	+75,000,000
V	Interior	3,300,000	3,300,000	1,450,000	−1,850,000	−1,850,000
VI	Independent offices	2,986,429,000	918,480,890	2,999,354,000	+12,925,000	+2,080,873,110
VII	Defense Establishment	16,845,181,000	16,845,181,000	16,845,181,000		
VIII	District of Columbia	*337,500*		*337,500*		
	Foreign aid	38,000,000			−38,000,000	
IX	Claims and judgments	6,983,938	5,274,034	6,983,938		+1,709,904
	Total	19,925,666,938	17,809,304,424	19,973,062,938	+47,396,000	+2,163,758,514

Increasing Prices and National Defense Procurement

The committee has been profoundly disturbed by the untimely increasing prices of commodities affecting national defense and feels that it is the responsibility of the Department of Defense to leave nothing undone to translate into orders at the earliest possible time, the appropriations which are made in this bill. The committee requested of the Department of Defense specific information with respect to the variations in price for military matériel and equipment since immediately before the outbreak of the Korean War. This report filed with the committee by the Office of the Secretary of Defense when analyzed carries the startling information that inflation has cut the value of the dollars of the sums appropriated for defense since pre-Korea by approximately $3,000,000,000.

The Office of the Secretary of Defense reports to the committee that "these price rises are becoming increasingly widespread despite efforts to reduce costs wherever feasible by simplification of specifications and substitution of materials." Again the Office of the Secretary of Defense reports, with respect to the purchase of aviation gasoline; not only that prices have increased by some 3 to 14.6 percent but that "part of the aviation gasoline supplies are being derived from marginal productions * * * that are not economical under normal conditions" with the result that "premiums of varying amounts are being paid for the supply increments furnished from marginal sources reaching from 5 to 45 percent."

It is the opinion of the committee that time is of the essence in the placing and delivery of orders for all defense materials and equipment for which appropriations are here made. The committee will watch carefully and anxiously to see how clearly the Department will accelerate its procurement of vital materials. It demands action by the Department; it hopes the Department will show results.

The committee is aware of the problems involved in putting into effect wage and price controls but believes that the sooner a termination of this problem is concluded, the quicker the monster of inflation may be defeated.

A review of the basic raw materials which go into the production of military commodities clearly shows the impossibility of separating prices on civilian production from prices on military production.

It has come to the committee's attention that quantities of strategic materials have been sold by our friends to Russia and China. It is to be hoped that the free nations allied with us will take steps to at once stop such transactions.

Specific examples of this startling upward trend of prices for military procurement may be set up as follows:

Basic raw materials

Eleven basic raw materials used by the military show an average increase in price from April 1950 to December 1950 of 72.3 percent. Ten of these eleven items had price increases between September and December ranging from 1.2 percent to 40 percent.

Price increases on selected major items

Aviation gasoline purchased through normal channels increased 3.0–3.2 percent on the Gulf coast and 13–14 percent on the west

coast. Prices of supplies obtained from marginal sources are from 5 to 45 percent higher.

Increases in some other important items are as follows:

	Over-all percent increase, April to October-November 1950	Percent increase occuring between August-September and October-November
Army:		
Tires, 7.50 by 20	38. 3	14. 7
Bailey bridge	37. 0	----------
Trousers, cotton, khaki	30. 8	12. 6
Boots, service, combat	42. 4	----------
Cloth, wool, serge, 15-ounce	39. 8	10. 3
Navy:		
Rope, wire, 9/16-inch	100. 0	----------
Mattresses	65. 4	65. 4
Sheets	50. 7	50. 7
Shell, smoke	55. 8	----------
Air Force:		
Height finder, AN/TPS-10D	38. 9	14. 3
Parachutes:		
T-7A, parachute assembly with service canopy	51. 7	----------
100-foot cargo chute	39. 8	----------

In April 1950 the Army paid $23.99 for a 7.50 by 20 tire. In December 1950 that same tire cost the Army $33.18—and nearly $4 of the increase has occurred in the last 2 months.

In April 1950 the Army paid $37,796 for a Bailey bridge. That same bridge now costs the Army $51,792.

In April 1950 it cost the Army 74 cents to cut, make, and trim a soldier's cotton khaki trousers. To perform those same operations in December 1950 costs the Army 97 cents. Nearly half of the increase in the cost of these operations has occurred since September 1950.

In April 1950 the Army paid 57.5 cents for a soldier's wool socks. By December 1950 those same socks cost 68.1, 5 cents of the increase occurring since September.

In April 1950 combat boots cost the Army $5.72 a pair. Those same boots in December cost $8.15 a pair.

In April 1950 the Navy paid 11.9 cents a foot for 9/16-inch wire rope. In December 1950 the price is exactly double, or 23.8 cents.

In August 1950 the Navy paid $8 for mattresses. Those same mattresses cost $13.23 in December.

In August 1950 the Navy paid $1.50 for sheets. Those same sheets cost $2.26 in December.

In April 1950 an Air Force flying jacket cost $16.50. This same jacket in December cost the Air Force $25.

In April 1950 a parachute assembly with service canopy cost the Air Force $198.30. To get this same assembly in December cost $300.77.

In April 1950 the Air Force could buy a 100-foot cargo parachute for $1,287. In December 1950 they must pay $1,798.66.

FEDERAL SECURITY AGENCY

Public Health Service

The committee recommends $75,000,000 for grants to States for hospital construction, as provided for in the Hospital Survey and Construction Act, as amended. This would make available for the hospital program a total of $150,000,000, half of it in contract authority, for fiscal year 1951.

Contract authority in the amount of $150,000,000 was provided in the General Appropriations Act, 1951, but this contract authorization was reduced to $75,000,000 by the Bureau of the Budget in accordance with section 1214 of the act.

Evidence was presented to the committee that dire effects were resulting from this cut-back; that many communities had made commitments for raising local funds and that the facilities to be provided were sorely needed immediately in local communities, and that without this Federal aid the facilities would not be constructed. The average Federal share is 47.2 percent, and varies from a minimum of one-third to a maximum of two-thirds.

INTERIOR DEPARTMENT

Southeastern Power Administration

The committee recommends that the $1,850,000 allowed by the House for the construction by the Southeastern Power Administration of transmission lines, substations, and appurtenant facilities for the transmission of power from the Buggs Island project in southern Virginia to Langley Field, Va., be disallowed. The total estimated cost of the transmission facilities proposed is $6,870,000, of which $1,850,000 was requested at this time.

It was represented to the committee that it is necessary for the Southeastern Power Administration to start construction of these transmission facilities at this time in order to be in position to transmit power to the new laboratory to be constructed by the National Advisory Committee for Aeronautics at Langley Field, Va., as early in 1953 as possible.

Under present scheduling, the committee was advised that the first two power-generating units at the Buggs Island project will not come into use until October 1952 having a total capacity of 44,000 kilowatts. The next two units of 32,000 kilowatts each are scheduled to come in at 30-day intervals. The present program calls for an installed capacity of 108,000 kilowatts from four generating units at the Buggs Island project, although the committee was advised that the Corps of Engineers expects at a later date to request funds at an estimated cost of $10,000,000 for the installation of three additional units of 32,000 kilowatts each, which would bring the capacity at the Buggs Island project up to 204,000 kilowatts.

The committee was further advised that the Virginia Electric & Power Co. has been in negotiation with the National Advisory Committee for Aeronautics for the furnishing of power that will be required by the NACA laboratory at Langley Field when it is completed, and that the company has also been in negotiation with the Southeastern Power Administration for the wheeling of Buggs Island power.

Representatives of the Virginia Electric & Power Co. appeared before the committee and insisted that the company is willing and will be able to supply the entire NACA power requirements at Langley Field at a reasonable cost when these additional requirements are needed. The committee was advised that the new NACA facilities at Langley Field when completed will require 70,000 kilowatts of power during on-peak periods and 150,000 kilowatts of power during off-peak periods.

In deleting this provision from the bill, the committee urges that without delay the National Advisory Committee for Aeronautics and the Virginia Electric & Power Co. enter into a contract for the furnishing of power by the company that will be required by the new NACA facilities at Langley Field and that the Southeastern Power Administration and the company enter into a wheeling agreement for the transmission of Buggs Island power that may be required in connection with NACA needs at Langley Field.

If fair and reasonable offers are not made by the company, the committee on the next appropriation bill will recommend appropriations for the construction of these facilities by the Southeastern Power Administration. The commmittee wishes to serve notice now that if fair and reasonable offers are made by the company and are not accepted by the proper governmental agencies, the committee will on the next appropriation bill seek to ascertain why such agencies have not cooperated in carrying out the committee's direction.

The power companies in Texas, Oklahoma, and Montana have entered into wheeling agreements with the Interior Department that are satisfactory to the Government and all concerned, and there is no reason why such cooperation cannot be attained between the Virginia Electric & Power Co. and the proper governmental agencies. The committee expects this to be done and that without delay.

TENNESSEE VALLEY AUTHORITY

The committee recommends the restoration of $2,500,000, to provide a total additional amount of $67,000,000, of which $42,000,000 is to provide for power generation and transmission facilities for the atomic-energy program and for the full amount requested of $25,000,000 for initiating additional power generating facilities to meet essential loads of expanding Government installations and other defense requirements in the Tennessee Valley area.

In providing such additional amount for expansion of the generating and transmitting facilities of the Tennessee Valley Authority, the

committee is persuaded by the need for power to meet all atomic-energy and defense requirements in the national emergency. The committee desires to caution the Authority, as well as other Government agencies engaged in the development of power from falling water, that the expansion provided should not be used as a precedent for construction of steam generating facilities in order to serve power in peacetime to civilian and industrial needs.

NATIONAL DEFENSE

President's Committee on Religion and Welfare in the Armed Forces

The Department of Defense requested that $100,000 of the appropriations for the Army, Navy, and Air Force for the fiscal year 1951 for religious, welfare, recreational, and morale activities be made available for expenses necessary for the President's Committee on Religion and Welfare in the Armed Forces. This request was denied by the House of Representatives.

Previously, in the conference report on the General Appropriations Act, 1951, in the statement of the managers on the part of the House the following statement appears:

"Amendment No. 401—*Salaries and expenses:* Appropriates $11,300,000 as proposed by the Senate, instead of $11,000,000 as proposed by the House. While the House recedes as to the amount, which is $100,000 below the Budget estimates, the Senate agrees to the position of the House as stated in House Report No. 1797, Eighty-first Congress, providing no funds for the President's Committee on Religion and Welfare in the Armed Forces."

In view of this statement the Senate committee does not now feel that it can act favorably on the request.

DISTRICT OF COLUMBIA

Office of Civil Defense

The committee has approved the request for $337,500 submitted in supplemental estimate, House Document 732 for additional civil defense planning funds needed to carry out the provisions of the act of August 11, 1950 (Public Law 686). Testimony presented to the committee indicates that most of the $100,000 initially appropriated for this purpose will be obligated in a very short time, and that additional funds will be needed to meet the objectives outlined in justifications submitted. The committee also feels that the District of Columbia should have a defense plan which should be on the same if not above the level of other cities in the United States, and to accomplish this end sufficient funds, payable from the revenues of the District, are essential.

INCREASES AND LIMITATIONS

Chapter I—Legislative Branch

Architect of the Capitol:

Capitol Buildings and Grounds $21,500

The committee has approved an appropriation of $21,500 to be used to convert for office and committee use the space in the Capitol recently vacated by the law library.

Capitol Buildings and Grounds:

Senate restaurants 4,000

The committee recommends the following paragraph be added to the bill:

CAPITOL BUILDINGS AND GROUNDS

Senate Restaurants: For replacement of equipment, Senate Restaurant, Capitol Building, to be expended by the Architect of the Capitol under the supervision of the Senate Committee on Rules and Administration, without regard to section 3709 of the Revised Statutes, as amended, $4,000.

Total increase, legislative branch 25,500

Chapter II—State, Justice, Commerce, and the Judiciary

Commerce Department:

Bureau of Public Roads:

Access roads (act of Sept. 7, 1950) $8,000,000

The committee recommends that the following paragraph be added to the bill:

ACCESS ROADS (ACT OF SEPTEMBER 7, 1950)

For expenses necessary in carrying out the provisions of section 12 of the Federal-Aid Highway Act of 1950, including $2,000,000 for payments of obligations incurred pursuant to the contract authorization granted by said section, to remain available until expended, $10,000,000, of which $2,000,000 shall be derived by transfer from the unexpended balance of funds heretofore appropriated for carrying out the provisions of section 6 of the Defense Highway Act of 1941 (55 Stat. 765).

The estimate for this item is contained in S. Doc. 245, which was received by the Senate after the bill passed the House. The access roads program is a national defense program of an emergency nature, and the authorization of $10,000,000 was included in the 1950 Federal-Aid Highway Act so as to provide stand-by authority which could be made available promptly to meet national defense requirements.

Chapter IV—Labor-Federal Security Agency

Federal Security Agency:

Public Health Service:

Grants for hospital construction $75,000,000

Chapter VI—Independent Offices

Atomic Energy Commission $240,000,000

The increase recommended by the committee is to restore the full amount of the budget estimate of $1,050,000,000, with the addition of $30,000,000 to provide for payments to the private power companies presently negotiating to furnish about half of the power requirements for the plant to be constructed near Paducah, Ky.

The committee also recommends that the limitation on the number of passenger motor vehicles to be purchased, including replacements, be increased from "two hundred and fifty" to "five hundred and fifty."

General Services Administration:

Strategic and critical materials 1,834,911,000

The increase recommended is to provide the full amount of the budget estimate in S. Doc. No. 242, for additional funds to carry out the Stockpiling Act.

National Advisory Committee for Aeronautics 3,250,000

The increase recommended by the committee is to restore the estimate for "Salaries and expenses" which was omitted by the House.

The committee recommends that the following section be added to the bill:

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses," $3,250,000; and the limitation imposed by section 103 of the Independent Offices Appropriation Act, 1951, on the amount available for travel expenses under this head, is increased from "$260,000" to "$300,000."

Selective Service System 212,110

The increase recommended by the committee is to restore the full amount of the budget estimate.

The committee recommends that the following limitations be deleted from the bill:

, of which not exceeding $250,000 shall be available for equipment, and not exceeding $35,000 for travel expenses of special boards

The committee also recommends that the following proviso, included in the budget estimate, be added to the bill:

: Provided, That both of the limitations under this head in the Supplemental Appropriation Act, 1951, on the amounts available for travel expenses are hereby repealed

Tennessee Valley Authority 2,500,000

Total, independent offices 2,080,873,110

Chapter VIII—District of Columbia

District of Columbia:	
Office of Civil Defense	*$337,500*

Chapter IX—Judgments and Authorized Claims

Judgments and authorized claims	$1,709,904
Total increase	2,165,608,514

DECREASES AND LIMITATIONS

Chapter V—Interior Department

Interior Department:	
Southeastern Power Administration: Construction	$1,850,000
Total increase	2,165,608,514
Total decrease	1,850,000
Net increase	2,163,758,514
Amount of bill as reported to Senate	19,973,062,938

COMPARATIVE STATEMENT OF AMOUNTS OF THE BUDGET ESTIMATES AND OF THE AMOUNTS RECOMMENDED TO BE APPROPRIATED BY THIS BILL

H. Doc. No.	Department or agency	Estimates	Recommended in House bill	Recommended in Senate bill	Increase (+) or decrease (−) Senate bill compared with—	
					Budget estimates	House bill
	LEGISLATIVE					
	HOUSE OF REPRESENTATIVES					
	Beneficiaries of deceased members		12,500	12,500	+12,500	
	ARCHITECT OF THE CAPITOL					
	Capitol buildings and grounds			21,500	+21,500	+21,500
	Senate restaurants			4,000	+4,000	+4,000
	Total, legislative branch (ch. I)		12,500	38,000	+38,000	+25,500
	DEPARTMENT OF JUSTICE					
724	Legal activities and general administration: Salaries and expenses, general legal activities	430,000	400,000	400,000	−30,000	
724	Immigration and Naturalization Service: Salaries and expenses	3,250,000	3,000,000	3,000,000	−250,000	
	Total, Department of Justice	3,680,000	3,400,000	3,400,000	−280,000	
	DEPARTMENT OF COMMERCE					
724	Bureau of Foreign and Domestic Commerce: Export control	925,000	925,000	925,000		
	Bureau of Public Roads:					
724	Inter-American Highway	4,000,000	4,000,000	4,000,000		
S. 245	Access roads	8,000,000		8,000,000		+8,000,000
	Maritime activities (ship construction)	(1)				
724	National Bureau of Standards: Construction of laboratories	1,632,000	1,400,000	1,400,000	−232,000	
	Total, Department of Commerce	14,557,000	6,325,000	14,325,000	−232,000	+8,000,000
	Total, Justice, Commerce (ch. II)	18,237,000	9,725,000	17,725,000	−512,000	+8,000,000

See footnote at end of table, p. 13.

Comparative statement of amounts of the budget estimates and of the amounts recommended to be appropriated by this bill—Continued

H. Doc. No.	Department or agency	Estimates	Recommended in House bill	Recommended in Senate bill	Increase (+) or decrease (−) Senate bill compared with—	
					Budget estimates	House bill
	TREASURY DEPARTMENT					
733	Division of Disbursement: Salaries and expenses	$380,000	$300,000	$300,000	$80,000	
733	Bureau of Customs: Salaries and expenses	350,000	225,000	225,000	−125,000	
733	Secret Service Division:					
733	Salaries and expenses	82,000	82,000	82,000		
733	Salaries and expenses, White House Police	49,000	49,000	49,000		
	Total, Secret Service Division	131,000	131,000	131,000		
724	U. S. Coast Guard:					
	Operating expenses	18,600,000	18,600,000	18,600,000		
	Acquisition, construction, and improvement	7,900,000	7,900,000	7,900,000		
	Total, U. S. Coast Guard	26,500,000	26,500,000	26,500,000		
	Total, Treasury Department (ch. III)	27,361,000	27,156,000	27,156,000	−205,000	
	DEPARTMENT OF LABOR					
	BUREAU OF EMPLOYMENT SECURITY					
724	Grants to States for unemployment compensation and employment service administration	(2)	(3)	(3)		
	FEDERAL SECURITY AGENCY					
	OFFICE OF EDUCATION					
724	Promotion and further development of vocational education	(2)	(3)	(3)		

	PUBLIC HEALTH SERVICE					
	Grants for hospital construction			75,000,000	+75,000,000	+75,000,000
	SOCIAL SECURITY ADMINISTRATION					
724	Salaries and expenses, Bureau of Old-Age and Survivors Insurance (out of trust funds)	(3,300,000)	(3,000,000)	(3,000,000)	(−300,000)	
	NATIONAL MEDIATION BOARD					
724	Arbitration and emergency boards	175,000	175,000	175,000		
	Total, Labor-Federal Security (Ch. IV)	175,000	175,000	75,175,000	+75,000,000	+75,000,000
	DEPARTMENT OF THE INTERIOR					
724	Southeastern Power Administration: Construction	1,850,000	1,850,000		−1,850,000	−1,850,000
724	Bonneville Power Administration: Construction	1,450,000	1,450,000	1,450,000		
	Total, Department of the Interior (ch. V)	3,300,000	3,300,000	1,450,000	−1,850,000	−1,850,000
	INDEPENDENT OFFICES					
727	Atomic Energy Commission	1,050,000,000	840,000,000	1,080,000,000	+30,000,000	+240,000,000
S. 242	General Services Administration, Strategic and Critical Materials	1,834,911,000		1,834,911,000		+1,834,911,000
	National Advisory Committee for Aeronautics:					
731	Salaries and expenses	3,250,000		3,250,000		+3,250,000
731	Construction and equipment	1,818,000	1,818,000	1,818,000		
724	Office of the Housing Expediter	1,200,000	1,200,000	1,200,000		
735	Selective Service System	11,000,000	10,787,890	11,000,000		+212,110
724	Subversive Activities Control Board	250,000	175,000	175,000	−75,000	
727	Tennessee Valley Authority	84,000,000	64,500,000	67,000,000	−17,000,000	+2,500,000
	Total, independent offices (ch. VI)	2,986,429,000	918,480,890	2,999,354,000	+12,925,000	+2,080,873,110

[1] Prior appropriations and contract authorizations made available for cargo-ship construction.
[2] Language provisions.
[3] Budget language provisions approved.

Comparative statement of amounts of the budget estimates and of the amounts recommended to be appropriated by this bill—Continued

H. Doc. No.	Department or agency	Estimates	Recommended in House bill	Recommended in Senate bill	Increase (+) or decrease (−) Senate bill compared with—	
					Budget estimates	House bill
	DEPARTMENT OF DEFENSE					
	MILITARY FUNCTIONS					
	OFFICE OF THE SECRETARY OF DEFENSE					
727	Salaries and expenses	$1,000,000	$1,000,000	$1,000,000		
727	Emergency fund	50,000,000	50,000,000	50,000,000		
	Total, Office of Secretary of Defense	51,000,000	51,000,000	51,000,000		
	DEPARTMENT OF THE ARMY					
727	Contingencies of the Army	19,100,000	19,100,000	19,100,000		
	FINANCE DEPARTMENT					
727	Pay of the Army	695,200,000	695,200,000	695,200,000		
727	Travel of the Army	17,700,000	17,700,000	17,700,000		
727	Finance Service	4,000,000	4,000,000	4,000,000		
	Total, Finance Service, Army	716,900,000	716,900,000	716,900,000		
	QUARTERMASTER CORPS					
727	Welfare of enlisted men	7,500,000	7,500,000	7,500,000		
727	Subsistence of the Army	343,800,000	343,800,000	343,800,000		
727	Regular supplies of the Army	275,300,000	275,300,000	275,300,000		
727	Clothing and equipage	892,100,000	892,100,000	892,100,000		
727	Incidental expenses of the Army	34,900,000	34,900,000	34,900,000		
	Total, Quartermaster Service, Army	1,553,600,000	1,553,600,000	1,553,600,000		

	TRANSPORTATION CORPS					
727	Transportation Service, Army	422,400,000	422,400,000	422,400,000		
	SIGNAL CORPS					
727	Signal Service of the Army	665,100,000	665,100,000	665,100,000		
730	Alaska Communication System:					
	Operation, maintenance, and improvement	470,000	470,000	470,000		
	Construction, installation, and equipment of temporary or permanent public works	464,000	464,000	464,000		
	Total	666,034,000	666,034,000	666,034,000		
	MEDICAL DEPARTMENT					
727	Medical and Hospital Department	71,000,000	71,000,000	71,000,000		
	CORPS OF ENGINEERS					
727	Engineer Service, Army	656,600,000	656,600,000	656,600,000		
727	Military Construction, Army	319,700,000	319,700,000	319,700,000		
	Total, Corps of Engineers	976,300,000	976,300,000	976,300,000		
	ORDNANCE DEPARTMENT					
727	Ordnance service and supplies, Army	4,003,500,000	4,003,500,000	4,003,500,000		
	CHEMICAL CORPS					
727	Chemical Service, Army	51,100,000	51,100,000	51,100,000		
	ARMY TRAINING					
727	Army training	3,600,000	3,600,000	3,600,000		
	U. S. MILITARY ACADEMY					
727	Maintenance and operation	65,000	65,000	65,000		
	CIVILIAN COMPONENTS					
727	Army National Guard	28,100,000	28,100,000	28,100,000		
727	Organized Reserves	10,900,000	10,900,000	10,900,000		
	Total, civilian components	39,000,000	39,000,000	39,000,000		

Comparative statement of amounts of the budget estimates and of the amounts recommended to be appropriated by this bill—Continued

H. Doc. No.	Department or agency	Estimates	Recommended in House bill	Recommended in Senate bill	Increase (+) or decrease (−) Senate bill compared with—	
					Budget estimates	House bill
	DEPARTMENT OF DEFENSE—Continued					
	DEPARTMENT OF THE ARMY—Continued					
	DEPARTMENTAL SALARIES AND EXPENSES					
727	Salaries, Department of the Army	$4,900,000	$4,900,000	$4,900,000		
727	Contingent expenses, Department of the Army	9,300,000	9,300,000	9,300,000		
	Total, departmental salaries and expenses	14,200,000	14,200,000	14,200,000		
727	Expediting production	575,000,000	575,000,000	575,000,000		
727	Civilian relief in Korea	100,000,000	100,000,000	100,000,000		
	Total, Department of the Army	[4] 9,211,799,000	[4] 9,211,799,000	[4] 9,211,799,000		
	DEPARTMENT OF THE NAVY					
727	Military personnel, Navy	184,547,000	184,547,000	184,547,000		
727	Military personnel, Naval Reserve (transfer)	−9,756,000	−9,756,000	−9,756,000		
727	Military personnel, officer candidates	469,000	469,000	469,000		
727	Naval personnel, general expenses	21,801,000	21,801,000	21,801,000		
727	Military personnel, Marine Corps	96,323,000	96,323,000	96,323,000		
727	Military personnel, Marine Corps Reserve (transfer)	−10,093,000	−10,093,000	−10,093,000		
727	Marine Corps troops and facilities	291,092,000	291,092,000	291,092,000		
727	Aircraft and facilities	158,520,000	158,520,000	158,520,000		
727	Construction of aircraft and related procurement	156,360,000	156,360,000	156,360,000		
727	Ships and facilities	383,005,000	383,005,000	383,005,000		
727	Construction of ships	335,330,000	335,330,000	335,330,000		

727	Ordnance and facilities	707,009,000	707,009,000	707,009,000		
727	Ordnance for new construction	42,394,000	42,394,000	42,394,000		
727	Medical care	27,705,000	27,705,000	27,705,000		
727	Civil engineering	78,701,000	78,701,000	78,701,000		
727	Public works (new)	303,378,000	303,378,000	303,378,000		
727	Research	32,085,000	32,085,000	32,085,000		
727	Service-wide supply and finance	31,436,000	31,436,000	31,436,000		
727	Navy stock fund	100,000,000	100,000,000	100,000,000		
727	Service-wide operations	48,440,000	48,440,000	48,440,000		
727	Island governments	$625,000	$625,000	625,000		
	Total, Department of the Navy	2,979,371,000	2,979,371,000	2,979,371,000		
	DEPARTMENT OF THE AIR FORCE					
727	Aircraft and related procurement	2,114,700,000	2,114,700,000	2,114,700,000		
727	Major procurement other than aircraft	583,900,000	583,900,000	583,900,000		
727	Acquisition and construction of real property	807,000,000	807,000,000	807,000,000		
727	Maintenance and operations	704,600,000	704,600,000	704,600,000		
727	Military personnel requirements	264,700,000	264,700,000	264,700,000		
727	Research and development	115,000,000	115,000,000	115,000,000		
727	Reserve personnel requirements	1,000	1,000	1,000		
727	Contingencies	13,110,000	13,110,000	13,110,000		
	Total, Department of the Air Force	4,603,011,000	4,603,011,000	4,603,011,000		
	Total, Department of Defense, military functions	16,844,247,000	16,844,247,000	16,844,247,000		
	Total, Department of Defense (ch. VII)	16,845,181,000	16,845,181,000	16,845,181,000		

[4] The total, Department of the Army, includes 2 Alaska communication items contained in H. Doc. 730.

Comparative statement of amounts of the budget estimates and of the amounts recommended to be appropriated by this bill—Continued

H. Doc. No.	Department or agency	Estimates	Recommended in House bill	Recommended in Senate bill	Increase (+) or decrease (−) Senate bill compared with—	
					Budget estimates	House bill
	FOREIGN AID					
724	Foreign Aid: Emergency aid to Yugoslavia	$38,000,000	(5)	(5)	$−38,000,000	
	Total, foreign aid	38,000,000			−38,000,000	
	DISTRICT OF COLUMBIA					
	(Out of District revenues)					
732	Office of Civil Defense	*337,500*		*$337,500*		*+$337,500*
	Total, District of Columbia, (ch. VIII)	*337,500*		*337,500*		*+337,500*
	JUDGMENTS AND CLAIMS					
729 S. 244	Judgments and authorized claims, (ch. IX)	6,983,938	$5,274,034	6,983,938		+1,709,904
	Grand total	19,925,666,938	17,809,304,424	19,973,062,938	+47,396,000	+2,163,758,514

[5] Amount provided for out of ECA funds.

○

Calendar No. 2679

81ST CONGRESS
2D SESSION

H. R. 9920

[Report No. 2684]

IN THE SENATE OF THE UNITED STATES

DECEMBER 18 (legislative day, NOVEMBER 27), 1950
Read twice and referred to the Committee on Appropriations

DECEMBER 20 (legislative day, NOVEMBER 27), 1950
Reported by Mr. MCKELLAR, with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

Making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, namely:

CHAPTER I

LEGISLATIVE BRANCH

HOUSE OF REPRESENTATIVES

For payment to Mary Watts Meyer, widow of Herbert A. Meyer, late a Representative from the State of Kansas, $12,500.

Architect of the Capitol

capitol buildings and grounds

For an additional amount for "Capitol Building", $21,500.

Senate Restaurants: For replacement of equipment, Senate Restaurant, Capitol Building, to be expended by the Architect of the Capitol under the supervision of the Senate Committee on Rules and Administration, without regard to section 3709 of the Revised Statutes, as amended, $4,000.

CHAPTER II

DEPARTMENT OF JUSTICE

Legal Activities and General Administration

salaries and expenses, general legal activities

For an additional amount for "Salaries and expenses, general legal activities", $400,000.

Immigration and Naturalization Service

salaries and expenses

For an additional amount for "Salaries and expenses", $3,000,000; and appropriations made under this head for the fiscal year 1951 shall be available for the purchase of twenty additional passenger motor vehicles.

DEPARTMENT OF COMMERCE

Bureau of Foreign and Domestic Commerce

EXPORT CONTROL

For an additional amount for "Export control", $925,000; and the limitation under this head in the Department of Commerce Appropriation Act, 1951, on the amount available for transfer to the appropriation, "Salaries and expenses", Office of the Secretary, is increased from "$40,000" to "$55,000".

Bureau of Public Roads

INTER-AMERICAN HIGHWAY

For necessary expenses of continuing the survey and construction of the Inter-American Highway, in accordance with the provisions of the Act of December 26, 1941 (55 Stat. 860), as amended by section 11 of the Federal-Aid Highway Act of 1950, including the purchase, for replacement only, of five passenger motor vehicles, $4,000,000, to remain available until expended.

ACCESS ROADS (ACT OF SEPTEMBER 7, 1950)

For expenses necessary in carrying out the provisions of section 12 of the Federal-Aid Highway Act of 1950,

including $2,000,000 for payments of obligations incurred pursuant to the contract authorization granted by said section, to remain available until expended, $10,000,000, of which $2,000,000 shall be derived by transfer from the unexpended balance of funds heretofore appropriated for carrying out the provisions of section 6 of the Defense Highway Act of 1941 (55 Stat. 765).

NATIONAL BUREAU OF STANDARDS

CONSTRUCTION OF LABORATORIES

For an additional amount for "Construction of laboratories", $1,400,000, to remain available until expended; and the amount of the contract authorization granted under this head in the Department of Commerce Appropriation Act, 1951, is reduced from "$5,675,000" to "$3,915,000": *Provided,* That the General Services Administrator is authorized to provide for use by the Department of Commerce, without reimbursement, of not to exceed 100,000 square feet of floor space (to be designated by the Secretary of the Navy) of the former United States Naval Hospital, Corona, California, as a guided-missiles laboratory, and thereafter $1,540,000 of the amounts appropriated under this head shall be available for (1) such modifications, improvements, and equipment of existing buildings and facilities at said location, as are necessary to permit their

use for a guided-missiles laboratory (which shall be in lieu of the new construction authorized for such purpose by Public Law 386, approved October 25, 1949), and (2) other administrative expenses necessary for the establishment of said laboratory, including moving expenses, travel, and transportation of dependents and household effects: *Provided further*, That with the exception of the establishment and operation of a cafeteria, no community or recreational facilities shall be established or operated by the Department of Commerce in connection with said activities except as may be specifically authorized by law.

CHAPTER III

TREASURY DEPARTMENT

Salaries and Expenses, Division of Disbursement

For an additional amount for "Salaries and expenses, Division of Disbursement", $300,000.

Bureau of Customs

For an additional amount for "Salaries and expenses", $225,000.

Secret Service Division

For an additional amount for "Salaries and expenses, Secret Service Division", $82,000: *Provided*, That appropriations granted under this head for the fiscal year 1951 shall also be available for the protection of the vice president.

SALARIES AND EXPENSES, WHITE HOUSE POLICE

For an additional amount for "Salaries and expenses, White House Police", $49,000; and appropriations granted under this head for the fiscal year 1951 shall be available for employment of additional personnel without regard to the limitation contained in section 2 of the Act of August 15, 1950 (Public Law 693).

Coast Guard

OPERATING EXPENSES

For an additional amount for "Operating expenses", $18,600,000; and appropriations made under this head for the fiscal year 1951 shall be available for the purchase of seventy-four additional passenger motor vehicles: *Provided*, That limitations under this head in the Treasury Department Appropriation Act, 1951, are increased as follows: Number of aircraft on hand, from "one hundred and ten" to "one hundred and thirteen"; number of enlisted men detailed for duty at Coast Guard Headquarters, from "thirty" to "fifty-five"; and the amount that may be expended for recreation, amusement, comfort, and contentment of enlisted personnel of the Coast Guard, from "$190,000" to "$250,000".

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

For an additional amount for "Acquisition, construction, and improvements", $7,900,000, to remain available until expended.

RETIRED PAY

Appropriations made under this head for the fiscal year 1951 shall be available for the payment of obligations incurred during prior fiscal years for retired pay.

CHAPTER IV

DEPARTMENT OF LABOR

Bureau of Employment Security

GRANTS TO STATES FOR UNEMPLOYMENT COMPENSATION AND EMPLOYMENT SERVICE ADMINISTRATION

Appropriations made under this head for the fiscal year 1951 shall be available for grants to Puerto Rico and the Virgin Islands in accordance with the Act of June 6, 1933, as amended by the Act of September 8, 1950 (Public Law 775): *Provided,* That in lieu of grants for the purpose of securing office facilities and equipment, the Secretary of Labor may transfer to the Puerto Rico Employment Service any Veterans Employment Service office facilities and properties within Puerto Rico, including records, files, and office equipment.

FEDERAL SECURITY AGENCY

Office of Education

PROMOTION AND FURTHER DEVELOPMENT OF VOCATIONAL EDUCATION

Appropriations made under this head for the fiscal year 1951 shall be available for carrying out the provisions of the Act of March 18, 1950 (Public Law 462).

Public Health Service

Grants for hospital construction: For an additional amount for construction grants under part C, title VI, of the Public Health Service Act, as amended, $75,000,000.

Social Security Administration

SALARIES AND EXPENSES, BUREAU OF OLD-AGE AND SURVIVORS INSURANCE

The amount authorized to be expended from the Federal old-age and survivors insurance trust fund for "Salaries and expenses, Bureau of Old-Age and Survivors Insurance", by the Federal Security Agency Appropriation Act, 1951, as amended by the Supplemental Appropriation Act, 1951, is increased from "$53,988,000" to "$56,988,000".

NATIONAL MEDIATION BOARD

Arbitration and Emergency Boards

For an additional amount for "Arbitration and emergency boards", $175,000.

CHAPTER V

DEPARTMENT OF THE INTERIOR

~~SOUTHEASTERN POWER ADMINISTRATION~~

~~CONSTRUCTION~~

~~For construction and acquisition of transmission lines, substations, and appurtenant facilities, and for administrative expenses connected therewith, in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U. S. C. 825s), as applied to the southeastern power area, including purchase (not to exceed five) and hire of passenger motor vehicles, $1,850,000, to remain available until expended.~~

BONNEVILLE POWER ADMINISTRATION

CONSTRUCTION

For an additional amount for "Construction", $1,450,000, to remain available until expended.

CHAPTER VI

INDEPENDENT OFFICES

ATOMIC ENERGY COMMISSION

For an additional amount, ~~$840,000,000~~ *$1,080,000,000*, and appropriations made under this head for the fiscal year 1951 shall be available for the purchase of not to exceed ~~two hundred and fifty~~ *five hundred and fifty* passenger motor vehicles, including replacements.

General Services Administration

strategic and critical materials

For an additional amount for carrying out the Strategic and Critical Materials Stock Piling Act of July 23, 1946 (50 U. S. C. 98), $1,834,911,000.

National Advisory Committee for Aeronautics

salaries and expenses

For an additional amount for "Salaries and expenses", $3,250,000; and the limitation imposed by section 103 of the Independent Offices Appropriation Act, 1951, on the amount available for travel expenses under this head, is increased from "$260,000" to "$300,000".

construction and equipment

For an additional amount for "Construction and equipment", $1,818,000, to remain available until June 30, 1952.

Office of the Housing Expediter

salaries and expenses

For an additional amount for "Salaries and expenses", $1,200,000; and the last proviso under this head in the Supplemental Appropriation Act, 1951, is amended to read as follows: "*Provided further*, That no part of this appro-

priation may be used to pay compensation of any employee in a grade higher than the grade of such employee on May 22, 1950, except when such employee is required to fill a bona fide vacancy occurring in such higher grade".

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", ~~$10,787,890~~ *$11,000,000,* ~~of which not exceeding $250,000 shall be available for equipment, and not exceeding $35,000 for travel expenses of special boards~~; and appropriations granted under this head for the fiscal year 1951 shall be available for the purchase of sixteen passenger motor vehicles of which one shall be for replacement: *Provided, That both of the limitations under this head in the Supplemental Appropriation Act, 1951, on the amounts available for travel expenses are hereby repealed.*

SUBVERSIVE ACTIVITIES CONTROL BOARD

SALARIES AND EXPENSES

For necessary expenses, including services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not in excess of $50 per diem for individuals, $175,000.

TENNESSEE VALLEY AUTHORITY

For an additional amount, ~~$64,500,000~~ *$67,000,000,* to remain available until expended.

CHAPTER VII

DEPARTMENT OF DEFENSE

For additional amounts for appropriations under the Department of Defense, as follows:

OFFICE OF THE SECRETARY OF DEFENSE

"Salaries and expenses", $1,000,000; and the limitation under this head in the Defense Appropriation Act, 1951, on the amount available for emergency and extraordinary expenses, is increased from "$50,000", to "$60,000";

"Emergency fund", $50,000,000;

DEPARTMENT OF THE ARMY

For additional amounts for appropriations under the Department of the Army, as follows:

OFFICE OF THE SECRETARY OF THE ARMY

"Contingencies of the Army", $19,100,000;

FINANCE DEPARTMENT

Finance Service, Army:

"Pay of the Army", $695,200,000;

"Travel of the Army", $17,700,000;

"Finance service", $4,000,000;

QUARTERMASTER CORPS

Quartermaster Service, Army: *Provided,* That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952:

"Welfare of enlisted men", $7,500,000;

"Subsistence of the Army", $343,800,000;

"Regular supplies of the Army", $275,300,000;

"Clothing and equipage", $892,100,000, of which not to exceed $350,000,000 is for payment of obligations incurred under authority granted under this head in the Supplemental Appropriation Act, 1951, to enter into contracts for the purchase of 100,000,000 pounds of raw wool, woolen garments, fabrics, and knitting yarns for use of all the armed services, which contracts shall not exceed the amount herein appropriated for payment thereunder;

"Incidental expenses of the Army", $34,900,000;

TRANSPORTATION CORPS

"Transportation service, Army", $422,400,000;

SIGNAL CORPS

"Signal service of the Army", $665,100,000: *Provided,* That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

Alaska Communication System:

"Operation, maintenance, and improvement, etc.", $470,000, to remain available until June 30, 1952;

"Construction, etc.", including not to exceed $381,024 for family quarters at the Sheep Mountain, Gulkana, Johnson River, and Harding Lake repeater stations, $464,000, to remain available until expended;

MEDICAL DEPARTMENT

"Medical and Hospital Department", $71,000,000;

CORPS OF ENGINEERS

"Engineer service, Army", $656,600,000: *Provided,* That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

"Military construction, Army", to remain available until expended, $319,700,000;

ORDNANCE DEPARTMENT

"Ordnance service and supplies, Army", $4,003,500,000: *Provided,* That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952: *Provided further,* That the sum of $2,500,000 of the appropriation "Ordnance service and supplies, Army", 1942–1946, shall remain available until June 30, 1951, for the payment of obligations incurred under contracts executed thereunder prior to July 1, 1946;

CHEMICAL CORPS

"Chemical service, Army", $51,100,000: *Provided,* That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

ARMY TRAINING

"Army training", $3,600,000;

UNITED STATES MILITARY ACADEMY

Maintenance and Operation

"Maintenance and operation", $65,000;

CIVILIAN COMPONENTS

"Army National Guard", $28,100,000: *Provided,* That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

"Organized reserves", $10,900,000: *Provided,* That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

DEPARTMENTAL SALARIES AND EXPENSES

Salaries, Department of the Army:

"Office of the Chief of Staff", $370,713;

"Adjutant General's Office", $1,679,965;

"Office of the Inspector General", $4,202;

"Office of the Judge Advocate General", $17,530;

"Office of the Chief of Finance", $118,434;

"Office of the Quartermaster General", $604,154;

"Office of the Chief of Transportation", $178,725;

"Office of the Chief Signal Officer", $483,339;

"Office of the Provost Marshal General", $42,212;

"Office of the Surgeon General", $383,585;

"Office of the Chief of Engineers", $416,013;

"Office of the Chief of Ordnance", $408,576;

"Office of Chief, Chemical Corps", $187,442;

"Office of Chief of Chaplains", $5,110;

"Contingent expenses, Department of the Army", $9,300,000;

EXPEDITING PRODUCTION

"Expediting production", $575,000,000: *Provided,* That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

CIVILIAN RELIEF IN KOREA

For expenses, not otherwise provided for, necessary for emergency relief for the civilian population of Korea, including the procurement, operation, maintenance, and distribution of equipment, materials and services for informational and reorientation purposes; travel; and transportation; $100,000,000, to remain available until June 30, 1952: *Provided,* That materials and supplies available to the Department of Defense may be used for the purposes of this appropriation without reimbursement therefor;

DEPARTMENT OF THE NAVY

"Military personnel, Navy", $184,547,000;

"Military personnel, officer candidates", $469,000;

"Navy personnel, general expenses", $21,801,000;

"Military personnel, Marine Corps", $96,323,000;

"Marine Corps troops and facilities", $291,092,000, of which $5,312,000 shall be derived by transfer from "Military personnel, Marine Corps Reserve, 1951";

"Aircraft and facilities", $158,520,000, of which $9,756,000 shall be derived by transfer from "Military personnel, Naval Reserve, 1951", and $4,781,000 by transfer from "Military personnel, Marine Corps Reserve, 1951";

"Construction of aircraft and related procurement", $156,360,000, to remain available until expended: *Provided*, That the aircraft procurement program established under this head in the Defense Appropriation Act, 1951, as increased by the Supplemental Appropriation Act, 1951, is further increased by $156,360,000;

"Ships and facilities", $383,005,000;

"Construction of ships", $335,330,000, to remain available until expended: *Provided*, That the limitations heretofore imposed under this head on the total of obligations to be incurred for construction, conversion, or replacement approved during the fiscal years 1950 and 1951, are repealed: *Pro-*

vided further, That the total of obligations incurred for construction, conversion, or replacement, approved between July 17, 1947, and June 30, 1951, shall not exceed $1,064,271,000;

"Ordnance and facilities", $707,009,000;

"Ordnance for new construction", $42,394,000, to remain available until expended: *Provided,* That the limitations heretofore imposed under this head on the total of obligations to be incurred for armor, armament, and ammunition for construction, conversion, or replacement approved during the fiscal years 1950 and 1951 are repealed: *Provided further,* That the total of obligations incurred for armor, armament, and ammunition, for construction, conversion, or replacement, approved between July 17, 1947, and June 30, 1951, shall not exceed $356,123,000;

"Medical care", $27,705,000;

"Civil engineering", $78,701,000: *Provided,* That the limitations on purchase of passenger motor vehicles set forth under this head in the General Appropriation Act, 1951, and in Sec. 107 of the Supplemental Appropriation Act, 1951, are repealed;

"Public works (new)", $303,378,000, to remain available until expended;

"Research", $32,085,000, to remain available until expended;

"Service-wide supply and finance", $31,436,000;

"Navy stock fund": For additional working capital for the Navy stock fund, established pursuant to the National Security Act Amendments of 1949, $100,000,000;

"Service-wide operations", $48,440,000; and the limitation under this head in the Defense Appropriation Act, 1951, as increased by the Supplemental Appropriation Act, 1951, on the amount available for emergencies and extraordinary expenses, is further increased by $13,445,000;

"Island governments", $625,000;

DEPARTMENT OF THE AIR FORCE

For additional amounts for appropriations under the Department of the Air Force as established or adjusted pursuant to section 403 (b) of the National Security Act of 1947, as amended, as follows:

AIRCRAFT AND RELATED PROCUREMENT

"Aircraft and related procurement", including construction, procurement, and modification of aircraft and equipment, armor and armament, spare parts and accessories therefor; electronic and communication equipment, detection and warning systems, and specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land without regard to section 1136, Revised Statutes, as amended, for the foregoing purposes, and

such land, and interests therein, may be acquired and construction prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; industrial mobilization, including maintenance of reserve plants and equipment and procurement planning; and other expenses necessary for the foregoing purposes, including rents, transportation of things and personal services in the field; to remain available until expended; $2,114,700,000: *Provided,* That the aircraft procurement program heretofore established for the fiscal year 1951 is further increased by $2,114,700,000;

MAJOR PROCUREMENT OTHER THAN AIRCRAFT

"Major procurement other than aircraft", including the procurement of supplies, materials, and equipment, and spare parts therefor, not otherwise provided for; electronic and communication equipment; and the purchase of passenger motor vehicles, $583,900,000, to remain available until expended: *Provided,* That the unexpended balances of funds appropriated to the Air Force for the foregoing purposes in the Defense Appropriation Act, 1951, and the Supplemental Appropriation Act, 1951, shall remain available until expended;

ACQUISITION AND CONSTRUCTION OF REAL PROPERTY

"Acquisition and construction of real property", including construction, installation, and equipment of temporary or

permanent public works, military installations, and facilities for the Air Force, as authorized by the Act of March 30, 1949 (Public Law 30, Eighty-first Congress), the Act of October 27, 1949 (Public Law 415, Eighty-first Congress), as amended, the Act of May 11, 1949 (Public Law 60, Eighty-first Congress), and the Act of June 17, 1950 (Public Law 564, Eighty-first Congress), including construction authorized by law, without regard to sections 1136 and 3734, Revised Statutes, as amended, and the land, and interests therein, may be acquired and construction may be prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; expenses necessary for planning projects not otherwise authorized; and hire of passenger motor vehicles; $807,000,000, to remain available until expended;

MAINTENANCE AND OPERATIONS

"Maintenance and operations", including expenses necessary for the maintenance, operation, and administration of the activities of the Air Force, including the United States Air Force Reserve and the Air Reserve Officers' Training Corps; maintenance, operation, and modification of aircraft; transportation of things; rents at the seat of government and elsewhere, and in administering the provisions of 43 U. S. C. 315q payments of rents may be made in advance; repair of facilities; field printing plants;

hire of passenger motor vehicles; training and instruction of military and civilian personnel of the Air Force, including tuition and related expenses; pay, allowances and travel expenses of contract surgeons; utility services for buildings erected at private cost as authorized by law (10 U. S. C. 1346), and buildings on military reservations authorized by Air Force regulations to be used for welfare and recreational purposes; rental of land or purchase of options to rent land without reference to section 3648, Revised Statutes, as amended, use or repair of private property, and other necessary expenses of combat maneuvers; organizational clothing and equipage; payment of exchange fees and exchange losses incurred by Air Force disbursing officers or their agents; losses in the accounts of Air Force disbursing officers as authorized by law (31 U. S. C. 95a; 50 U. S. C. 1705–1707; Act of July 26, 1947, Public Law 248); burial of the dead as authorized by law (10 U. S. C. 916–916d; 5 U. S. C. 103a), including remains of personnel of the Air Force of the United States who die while on active duty, travel allowances of attendants accompanying remains, and acquisition by lease or otherwise of temporary burial sites; conduct of schoolrooms, service clubs, chapels, and other instructional, entertainment, and welfare expenses for enlisted men, not otherwise provided for; expenses for inter-American cooperation as authorized for the Navy by the

Act of August 2, 1946 (5 U. S. C. 421f), for Latin-American cooperation; payments of deficiency judgments and interests thereon arising out of condemnation proceedings heretofore instituted; and special services by contract or otherwise, $704,600,000;

MILITARY PERSONNEL REQUIREMENTS

"Military personnel requirements", including pay, allowances, clothing, subsistence, transportation, interest on deposits of enlisted personnel, payment of life insurance premiums, and travel in kind for cadets and all other personnel of the Air Force of the United States on active duty (other than personnel of the Reserve components, including the Air National Guard, on active duty while undergoing reserve training), including mileage, per diem allowances, reimbursement of actual expenses of travel, transportation of troops, commutation of quarters, subsistence supplies for issue as rations to enlisted personnel, cloth and materials and clothing for issue and sale, and clothing allowances, as authorized by law; and, in connection with personnel paid from this appropriation, for rental of camp sites and local procurement of utility services and other necessary expenses incident to individual or troop movements (including packing and unpacking and transportation of organizational equipment), ice, meals for recruiting parties, monetary allowances for liquid coffee for troops when supplied cooked or

travel rations, altering and fitting clothing, and commutation of rations, as authorized by law, to enlisted personnel, including those sick in hospitals (to be paid to the surgeon in charge); transportation, as authorized by law, of dependents, baggage, and household effects of personnel paid from this appropriation; transportation, or reimbursement therefor, of applicants for enlistment between places of acceptance for enlistment and recruiting stations, rejected applicants for enlistment, general prisoners, and discharged cadets; travel pay to discharged military personnel; transportation of persons discharged otherwise than honorably, prisoners upon each termination of confinement, and persons discharged from Saint Elizabeths Hospital after transfer thereto from the military service; commutation of quarters and rations to applicants for enlistment and general prisoners traveling under orders; rations for civilian employees when entitled thereto, applicants for enlistment, prisoners of war, and general prisoners; subsistence supplies for resale, as authorized by law; commutation of rations, as authorized by regulations, to applicants for enlistment, civilian employees entitled to subsistence at public expense, and general prisoners, while sick in hospitals (to be paid to the surgeon in charge); subsistence of supernumeraries necessitated by emergent military circumstances; issues of toilet articles and barbers'

and tailors' material to general prisoners confined at military posts without pay and allowances, applicants for enlistment, and recruits upon first enlistment; civilian clothing and when necessary an overcoat, the cost of all not to exceed $30, for each person upon each release from a military prison, each enlisted man discharged otherwise than honorably, each enlisted man convicted by a civil court for an offense resulting in confinement in a civil prison, and each enlisted man interned, or discharged without internment as an alien enemy; expenses of apprehension and delivery of deserters, stragglers, and escaped military prisoners; payment, in the discretion of the Secretary, of rewards (not to exceed $25 in any one case) for the apprehension of deserters; confinement of military prisoners in nonmilitary facilities; donations of not to exceed $25 to each civilian prisoner upon each release from a military prison, to each enlisted man discharged otherwise than honorably upon each release from confinement under court-martial sentence, and to each person discharged for fraudulent enlistment; expenses of courts, boards, and commissions; welfare; and medals and other awards; $264,700,000;

RESEARCH AND DEVELOPMENT

"Research and development", $115,000,000, to remain available until expended;

RESERVE PERSONNEL REQUIREMENTS

"Reserve personnel requirements", including pay, allowances, clothing, subsistence, and travel for personnel of the United States Air Force Reserve and the Air Reserve Officers' Training Corps, while on active duty undergoing reserve training or while performing drills or equivalent duty, or undergoing training and instruction; and the procurement and issue of uniforms to institutions necessary for the training of the Air Reserve Officers' Training Corps, as authorized by law; $1,000, to remain available until June 30, 1952: *Provided,* That the unexpended balances of funds appropriated for the foregoing purposes in the Defense Appropriation Act, 1951, shall remain available until June 30, 1952;

CONTINGENCIES

"Contingencies", $13,110,000.

GENERAL PROVISIONS

SEC. 701. Notwithstanding any other provision of law, no part of any appropriation for the Department of Defense contained in this Act shall remain available until expended unless so provided in the appropriation concerned.

SEC. 702. Section 619 of the Defense Appropriation Act, 1951, is amended by deleting the words: "(other than on permanent change of station)".

SEC. 703. Payments by members of the United Nations

for equipment, materials or services furnished in joint military operations shall be credited to proper appropriations of the Department of Defense in the manner authorized by section 403 (b) of the Mutual Defense Assistance Act of 1949.

SEC. 704. The Secretary of Defense is authorized to employ not to exceed ten persons of outstanding experience and ability without compensation; and he is authorized to provide by regulation for the exemption of such persons from the operation of sections 281, 283, 284, 434, and 1914 of title 18 of the United States Code and section 190 of the Revised Statutes (5 U. S. C. 99). Persons appointed under the authority of this section may be allowed transportation and not to exceed $15 per diem in lieu of subsistence while away from their homes or regular places of business pursuant to such employment.

SEC. 705. Funds heretofore or hereafter appropriated under the appropriation title "Naval Petroleum Reserve Numbered 4, Alaska", Department of the Navy, shall be available for exploration and prospecting on Government-owned lands adjacent to the Naval Petroleum Reserve Numbered 4.

SEC. 706. None of the firearms, pistols, revolvers, shells, and cartridges purchased with funds appropriated for the military departments by this or any other Act shall be

subject to any tax imposed on the sale or transfer of such articles.

CHAPTER VIII

DISTRICT OF COLUMBIA

(Out of revenues of the District of Columbia)

OFFICE OF CIVIL DEFENSE

For an additional amount, fiscal year 1951, for "Office of Civil Defense", $337,500: and appropriations granted under this head for the fiscal year 1951 shall be available for personal services without reference to the civil-service and classification laws.

CHAPTER ~~VIII~~ *IX*

CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS

For payment of claims for damages as settled and determined by departments and agencies in accord with law, audited claims certified to be due by the General Accounting Office, and judgments rendered against the United States by United States district courts, the United States Court of Claims, and the Indian Claims Commission, as set forth in *Senate Document Numbered 244, and* House Document Numbered 729, Eighty-first Congress, ~~$5,274,034~~ *$6,983,938*, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or in certain of the settlements of the General Accounting

Office or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided*, That no judgment herein appropriated for shall be paid until it shall have become final and conclusive against the United States by failure of the parties to appeal or otherwise: *Provided further*, That, unless otherwise specifically required by law or by the judgment, payment of interest wherever appropriated for herein shall not continue for more than thirty days after the date of approval of this Act.

CHAPTER ~~IX~~ *X*

GENERAL PROVISIONS

SEC. ~~901~~ *1001*. No part of any appropriation contained in this Act, or of the funds available for expenditure by any corporation included in this Act, shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the

Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation or fund contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further*, That, as applicable to the Department of the Interior, nothing in this section shall be construed to require an affidavit from any person employed for less than sixty days for sudden emergency work involving the loss of human life or destruction of property, and the payment of salary or wages may be made to such persons from appli-

cable appropriations for services rendered in such emergency without execution of the affidavit contemplated by this section.

SEC. ~~902~~ *1002*. Appropriations and funds made available by this or any other Act for salaries, wages, or compensation, for the fiscal year 1951, shall also be available for payment of any tax with respect thereto which is imposed on any department, agency, corporation, or other instrumentality of the United States, as an employer, by the provisions of the Social Security Act Amendments of 1950.

SEC. ~~903~~ *1003*. This Act may be cited as the "Second Supplemental Appropriation Act, 1951".

Passed the House of Representatives December 15, 1950.

Attest: RALPH R. ROBERTS,

Clerk.

Calendar No. 2679

81ST CONGRESS
2D SESSION

H. R. 9920

[Report No. 2684]

AN ACT

Making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

DECEMBER 18 (legislative day, NOVEMBER 27), 1950
Read twice and referred to the Committee on Appropriations

DECEMBER 20 (legislative day, NOVEMBER 27), 1950
Reported with amendments

Calendar No. 2679

81ST CONGRESS
2D SESSION

H. R. 9920

IN THE SENATE OF THE UNITED STATES

DECEMBER 20 (legislative day, NOVEMBER 27), 1950
Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. MCKELLAR to the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, viz:

On page 26, after line 3, insert the following:

"CHAPTER IX—FOREIGN AID

"Whenever he determines that such action is essential, the President may from time to time utilize, for the effective carrying out of the purposes of the China Area Aid Act of 1950 (title II of Public Law 535, Eighty-first Congress), not to exceed in the aggregate 5 per centum of the funds made available for the fiscal year 1951 for the purposes of the Economic Cooperation Act of 1948 (Public Law 472, Eightieth Congress), as amended."

12-20-50——B

Calendar No. 2679

81ST CONGRESS
2D SESSION

H. R. 9920

AMENDMENT

Intended to be proposed by Mr. McKELLAR to the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

DECEMBER 20 (legislative day, NOVEMBER 27), 1950
Ordered to lie on the table and to be printed

Calendar No. 2679

81ST CONGRESS
2D SESSION

H. R. 9920

IN THE SENATE OF THE UNITED STATES

DECEMBER 20 (legislative day, NOVEMBER 27), 1950
Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. MCKELLAR to the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, viz:

Page 9, after line 22, under the heading "Tennessee Valley Authority" following the word "expended", insert the following: ": *Provided*, That purchases and contracts for supplies or services may be made by the Authority during the fiscal year 1951 without regard to any provisions of law relating to advertising or competitive bidding".

12-20-50——D

Calendar No. 2679

81ST CONGRESS
2D SESSION

H. R. 9920

AMENDMENT

Intended to be proposed by Mr. McKELLAR to the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

DECEMBER 20 (legislative day, NOVEMBER 27), 1950
Ordered to lie on the table and to be printed

general's and properly appraised her own capacity to contribute to it.

This is not the first offer of high post that Mrs. Rosenberg has had in Washington. She has turned down higher. It is only due to the great crisis we face that she accepted this appointment at such personal sacrifice.

Mr. President, as with so many things—which turn out unexpectedly—I believe that this ordeal to which Mrs. Rosenberg has been subjected will prove to be a good thing for the country and a good thing for her and for General Marshall. There is, in these hearings, the operation of what I like to call the law of the opposite e ect. This is one of my favorite laws and we see it operating all around us. These hearings were designed to besmirch Mrs. Rosenberg. Their effect is just the opposite. What the hearings have done is to bring to the attention of every single member of the Senate, and to the country as a whole, the remarkable record and background of our new Assistant Secretary of Defense, and her extraordinary qualifications for the job. The hearings have forced each and everyone of us to the realization that we have an extraordinary figure in the Defense Department fully capable to discharge the great responsibilities which are hers. Now that the Senate knows the background of this amazing woman, she will not lack defenders when the attacks mount around her. In her job she will be forced to do unpopular things. Yes, here is a dirty assignment. When she boldly makes the tough decisions, we of the Senate will not have to ask "Who is this Mrs. Rosenberg?" We shall know, and through knowing, we shall have confidence in the action taken. The country will know. And the country will have confidence.

Indeed, Mr. President, a day or two ago I jestingly asked Mrs. Rosenberg whether she had personally planned these hearings. I told her that I had always known that she was smart but I had never thought that anybody could be smart enough to come to Washington with a plan by which Representative RANKIN and Mr. Gerald K. Smith combined their forces in an attack upon him.

Mr. President, I congratulate the Committee on Armed Services on the patience and thoroughness with which it has conducted these unpleasant hearings. I congratulate the committee on the unanimity of its findings. In particular, I congratulate Senator CAIN for his sympathy and support—and I urge upon the Senate the immediate and unanimous approval of this recommendation from the committee on which we are now to vote.

The VICE PRES. DENT. The question is, Will the Senate advise and consent to the nomination of Anna M. Rosenberg, of New York, to be Assistant Secretary of Defense? [Putting the question.]

The nomination was confirmed.

FEDERAL TRADE COMMISSION

The VICE PRESIDENT. The next nomination on the Executive Calendar is that of Stephen J. Spingarn, of New York. The nomination will be read by the clerk.

The legislative clerk read the nomination of Stephen J. Spingarn, of New York, to be a Federal Trade Commissioner.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to his nomination? [Putting the question.]

The nomination was confirmed.

DISPLACED PERSONS COMMISSION

Mr. WHERRY. Mr. President, do I correctly understand that now that these nominations have been confirmed, the Senate has returned to the consideration of legislative business?

The VICE PRESIDENT. No; the Executive Calendar has not been concluded.

The next nomination on the Executive Calendar will be stated.

The legislative clerk read the nomination of John W. Gibson, of Michigan, to be a member of the Displaced Persons Commission.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

The VICE PRESIDENT. Without objection, the nominations of postmasters are confirmed en bloc.

NOMINATIONS IN THE ARMY, AIR FORCE, NAVY, AND MARINE CORPS

The VICE PRESIDENT. Inasmuch as there has been some consideration of taking an adjournment this week, the Chair suggests that consideration be given to notifying the President of the confirmations of nominations.

Mr. KNOWLAND. Mr. President, while the Senate is in executive session, I report favorably, with a unanimous report from the Committee on Armed Services, sundry nominations in the Army, Air Force, Navy, and Marine Corps, extending from the grade of admiral or general down through the grade of lieutenant. The committee's report is unanimous on the part of both the Democratic and the Republican members of the committee.

Inasmuch as the printing bill in this case would amount to several hundred dollars, I suggest that there is precedent for considering the nominations at this time. No objections have been raised to them. I ask unanimous consent to that effect.

The VICE PRESIDENT. Is there objection?

Mr. WHERRY. Mr. President, reserving the right to object, let me ask the distinguished Senator from California whether included among the appointments are any of civilians, or are all the appointments in the military or armed services?

Mr. KNOWLAND. There are no civilian appointments; all of them are in the armed services, the military.

Mr. WHERRY. All of them are routine, are they?

Mr. KNOWLAND. Yes; and they are unanimously reported by the committee.

Mr. WHERRY. I have no objection.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc, without the necessity of having them printed in the RECORD.

Mr. LUCAS. Mr. President, I ask unanimous consent that the President be notified of all nominations heretofore approved by the Senate.

The VICE PRESIDENT. Without objection, the President will be notified in these cases.

SUPPLEMENTAL APPROPRIATIONS, 1951

The Senate resumed the consideration of legislative business.

The VICE PRESIDENT. Under the unanimous consent agreement entered into earlier today House bill 9920 is the unfinished business.

The Senate proceeded to consider the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. McKELLAR. Mr. President, I wish to make a brief statement in regard to the bill, so that the Senate will know what has been done by the Appropriations Committee.

The committee very largely accepted the House version of the bill, with the addition of two items. One is the stockpiling item, involving an amount of $1,800,000,000. The other is the atomic-energy item. The two items together constitute a difference, as compared with the amount carried in the House version of the bill, of a little more than $2,000,000,000.

That is all I wish to say.

Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the amendments of the Senate Appropriations Committee be first considered.

The VICE PRESIDENT. Under the practice which has long been in existence, the committee amendments are to be read and considered first.

MILITARY AND NAVAL CONSTRUCTION

Mr. RUSSELL. Mr. President, from the Senate Committee on Armed Services, I report favorably the bill H. R. 9893 and I submit a report (No. 2687) thereon. I desire to make a very brief statement.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. WHERRY. Is this the military construction bill?

Mr. RUSSELL. It is.

Mr. WHERRY. In order that we may be able to plan our program here, may I ask the Senator whether he intends to ask that the appropriation bill be temporarily laid aside and this measure be considered now?

Mr. RUSSELL. I do. I now state very briefly the reasons why I shall do that.

The VICE PRESIDENT. The Secretary will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 9893) to authorize certain construction at military and naval installations, and for other purposes.

Mr. RUSSELL. Mr. President, in the second supplemental appropriations bill, which is now the pending business, there are contained a large number of items of appropriations for construction of certain public works which the Department of Defense says are essential to the defense of the United States. The bill passed the House and has been reported by the Senate Committee without having followed the customary method of authorizing these works by express statute. In other words, we have the cart before the horse. In an effort to get the horse before the cart, the Senate Committee on Armed Services this morning reported unanimously, and without

amendment, the bill which passed the House on yesterday, giving statutory authorization for the construction of these works. The bill, in round figures, authorizes $1,600,000,000 worth of construction. There are contained in the appropriation bill appropriations for approximately $1,500,000 of that amount. In other words, more than 90 percent of the authorization is already contained in the appropriation bill which the Senator from Tennessee has made the unfinished business.

In the interest of regular parliamentary procedure, I ask that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of H. R. 9893.

The VICE PRESIDENT. Is there objection?

Mr. WHERRY. Reserving the right to object—and I shall not object to the request—I am wondering whether the distinguished Senator would merely make another observation as to how passing this bill before the appropriation bill is passed may facilitate the entire procedure.

Mr. RUSSELL. It will certainly remove any doubt whatever as to the authority of the Department of Defense to proceed with these very necessary defense projects.

Mr. WHERRY. And that is the purpose of putting the authorization bill ahead of the appropriation bill, is it?

Mr. RUSSELL. Yes; and also to maintain the regular procedure which has always obtained, in that authorizations are generally enacted by the Congress before appropriations are made to carry out an authorization that does not exist.

Mr. WHERRY. Let me ask the Senator this question: The Senator is a member of both the Committee on Appropriations and the Committee on Armed Services. Is it not a fact that if we pass the appropriation bill, we shall be appropriating a large sum of money, the authorization for some of which are carried in the bill of the Senator from Georgia?

Mr. RUSSELL. The Senator is correct. As I stated, more than 90 percent of the authorization is carried in the appropriation bill.

Mr. WHERRY. So that they should really go together, but the authorization should come ahead of the appropriation, and that is the sole purpose. Is that correct?

Mr. RUSSELL. That is the only purpose.

Mr. WHERRY. Mr. President, I have no objection at all to the immediate consideration of the bill, and I thank the Senator from Georgia for his observations. Of course, we can argue the merits of the authorization, but in view of the fact that we are already appropriating, as the Senator from Georgia said, for 90 percent of the authorization, we may as well get the authorization in first.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CHAVEZ. Is it not a fact that what the Senator from Georgia is trying to do is to insure that each one of the projects shall go before the respective committees for authorization?

Mr. RUSSELL. That is a fact. Otherwise, the bill might be subject to a point of order. It would not be subject to a point of order in this case, because the House has already approved. But it certainly would be in the direction of orderly procedure to do what has been suggested.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. BRIDGES. Mr. President, I think the Senator is correct as to the problem as he was outlined it. I think the Senator from Georgia will agree with me that appropriating money without having the proper standing committee of the Senate being given an opportunity to study, pass on, and authorize or disapprove the various projects included is bad procedure. I think the Senator from Georgia agrees with that, and he is taking the only recourse which he can take consistently with getting us back again on the right track.

I should like to say further that so far as the Defense Establishment is concerned, I think, not only in the committee but on the floor of the Senate, the Defense Department and every other department wants to have due notice that in the future they shall proceed in an orderly way, and that the proper legislative committees of the Senate have a full opportunity to hear the evidence and study such a complex and substantial bill as is this one, without coming in for appropriations.

Mr. RUSSELL. Every standing committee of the Senate is very jealous of its powers, and properly so, to consider proposed legislation before appropriations are made.

Mr. SALTONSTALL. Mr. President——

Mr. HUNT. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield first to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, I should like to ask the Senator from Georgia whether he thinks it advisable to take steps to change the law, which has been changed piecemeal, in war emergencies, so that the Defense Department cannot undertake this procedure in the future.

Mr. RUSSELL. I certainly want to exercise every possible precaution to protect the jurisdiction of the Senate Committee on Armed Services. That committee is composed of Senators who have been working intimately with the question of national defense, and I think every step should be taken to see that the Defense Establishment in the future does apprise the Senate Committee on Armed Services of plans and intentions in advance of going to the Committee on Appropriations. I say that as a member of the Committee on Appropriations and as one who is very proud of his membership on that committee. It is a procedure which has been followed throughout the course of the history of our country.

I now yield to the Senator from Wyoming.

Mr. HUNT. Mr. President, as I understand the chairman of the Committee on Armed Services, primarily the point he has in mind is that by allowing the appropriation bill to be acted upon before action is taken on the authorization bill we do not thereby establish a precedent which might be dangerous not only during wartime but also in peacetime.

Mr. RUSSELL. The Senator is correct. I wish to say that the Senator from Tennessee [Mr. MCKELLAR] cooperated wholeheartedly with me in bringing this matter to the attention of the Senate.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. WHERRY. I hope the Senator will discuss fully the appropriations, as I understand this bill is being reported without amendment.

Mr. RUSSELL. The Senator is correct.

Mr. WHERRY. So that the authorizations are the exact amounts approved by the House; is that a fact?

Mr. RUSSELL. That is correct.

Mr. WHERRY. I understand the authorization was $1,650,000,000. The reason why I am asking these questions is that there is no report accompanying the bill. Possibly the Senator had intended to give us all that information.

Mr. RUSSELL. The correct figure is $1,658,000,000.

Mr. WHERRY. My understanding is that in the supplemental appropriation bill the House approved an appropriation of $1,430,000,000 of the authorization. What I should like to have the distinguished Senator point out is that no doubt the House bill was strictly for military construction projects which were absolutely necessary, and I should like to have an explanation, if the Senator can give it, of the projects.

Mr. RUSSELL. I will say to the distinguished Senator that I cannot give the information down to the last dollar and cent, but I will say that most of the difference is in the completion of the projects which are started under the appropriations contained in the bill which is the unfinished business before the Senate. One of the reasons given by the Defense Establishment for not requesting the entire $1,658,000,000 was that they knew there would be another appropriation bill which would cover the difference between the $1,430,000,000 appropriated and the $1,658,000,000 authorized.

Mr. WHERRY. I have not had time to examine the CONGRESSIONAL RECORD this morning. Does the Senator know why the committee appropriated $1,430,000,000, and did not appropriate more? Was it because it was not asked for at that time?

Mr. RUSSELL. That is correct.

The VICE PRESIDENT. If the Senate will permit, the Chair desires to congratulate the Senate on its good attendance, but the Chair hopes it will not be denied the right to congratulate the Senate on its good order. The Senate will be in order.

Mr. WHERRY. Mr. President, in the absence of a report accompanying the bill, if the Senator from Georgia can give

partment of the Navy, and $886,894,000 is for the Department of the Air Force.

Sincerely yours,

MARX LEVA.

SUPPLEMENTAL APPROPRIATIONS, 1951

The Senate resumed the consideration of the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

The VICE PRESIDENT. The Secretary will proceed to state the amendments of the Committee on Appropriations.

The first amendment of the Committee on Appropriations was, under the heading "Chapter I—Legislative branch," at the top of page 2, to insert:

ARCHITECT OF THE CAPITOL

CAPITOL BUILDINGS AND GROUNDS

For an additional amount for "Capitol Building," $21,500.

The amendment was agreed to.

The next amendment was, under the heading "Department of Commerce," on page 3, after line 18, to insert:

ACCESS ROADS (ACT OF SEPTEMBER 7, 1950)

For expenses necessary in carrying out the provisions of section 12 of the Federal-Aid Highway Act of 1950, including $2,000,000 for payments of obligations incurred pursuant to the contract authorization granted by said section, to remain available until expended, $10,000,000, of which $2,000,000 shall be derived by transfer from the unexpended balance of funds heretofore appropriated for carrying out the provisions of section 6 of the Defense Highway Act of 1941 (55 Stat. 765).

The amendment was agreed to.

The next amendment was, on page 2, after line 4, to insert:

Senate Restaurants: For replacement of equipment, Senate Restaurant, Capitol Building, to be expended by the Architect of the Capitol under the supervision of the Senate Committee on Rules and Administration, without regard to section 3709 of the Revised Statutes, as amended, $4,000.

The amendment was agreed to.

The next amendment was, under the heading "Federal Security Agency," on page 8, after line 7, to insert:

PUBLIC HEALTH SERVICE

Grants for hospital construction: For an additional amount for construction grants under part C, title VI, of the Public Health Service Act, as amended, $75,000,000.

The amendment was agreed to.

The next amendment was, under the heading "Chapter V—Department of the Interior," on page 9, after line 2, to strike out:

SOUTHEASTERN POWER ADMINISTRATION

CONSTRUCTION

For construction and acquisition of transmission lines, substations, and appurtenant facilities, and for administrative expenses connected therewith, in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U. S. C. 825s), as applied to the southeastern power area, including purchase (not to exceed five) and hire of passenger motor vehicles, $1,850,000, to remain available until expended.

The amendment was agreed to.

The next amendment was, under the heading "Chapter VI—Independent offices—Atomic Energy Commission," on page 9, line 19, after the word "amount", to strike out "$840,000,000" and insert "$1,080,000,000"; and in line 22, after the word "exceed", to strike out "two hundred and fifty" and insert "five hundred and fifty."

Mr. LANGER. Mr. President, with reference to the Atomic Energy Commission, I should like to ask for some explanation as to why the Commission needs 550 passenger vehicles.

Mr. McKELLAR. I did not hear the Senator's question.

Mr. LANGER. On page 9, in connection with the Atomic Energy Commission, why is it necessary to provide 550 automobiles?

Mr. McKELLAR. The Senator from Wyoming had charge of that phase of the bill. I ask that he be permitted to answer the question of the Senator from North Dakota.

Mr. O'MAHONEY. I shall be very glad to explain the reason for the amendment. The Atomic Energy Commission presented persuasive evidence of the fact that busses are needed and used to transport workers from their homes to the various plants at which they work. The use of busses is a timesaver and money saver. The use of passenger vehicles is required in order to make certain in the construction of new projects—and new projects are to be constructed—that management officials will reach speedily the various parts of the projects. The committee was quite convinced that this increase was essential as a money saver. I should like to call attention to the fact that the budget estimate had placed no limitation upon the number of cars to be furnished, but the committee placed a limitation of 550, after having very thoroughly examined the witnesses of the Atomic Energy Commission.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. Certainly.

Mr. LANGER. I notice that the House passed the bill with a limitation of 250 cars, and the Senate committee changed the limitation to 550.

Mr. O'MAHONEY. Yes; we added 300 cars because we were convinced by the testimony that the cars were essential to expedite the construction work and to save the time of the men going back and forth to the various projects.

Mr. LANGER. There is nothing in the bill which would prevent the Commission from purchasing 550 Cadillacs; is there?

Mr. O'MAHONEY. There is a general law which provides explicitly that no passenger vehicle may be bought which costs more than $1,400.

Mr. LANGER. I thank the Senator.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, at the top of page 10, to insert:

GENERAL SERVICES ADMINISTRATION

STRATEGIC AND CRITICAL MATERIALS

For an additional amount for carrying out the Strategic and Critical Materials Stock Piling Act of July 23, 1946 (50 U. S. C. 93), $1,834,911,000.

The amendment was agreed to.

The next amendment was, under the subhead "National Advisory Committee for Aeronautics," on page 10, after line 6, to insert:

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses," $3,250,000; and the limitation imposed by section 103 of the Independent Offices Appropriation Act, 1951, on the amount available for travel expenses under this head, is increased from "$260,000" to "$300,000."

The amendment was agreed to.

The next amendment was, under the subhead "Selective Service System—Salaries and expenses," on page 11, line 8, after the word "expenses", to strike out "$10,787,899" and insert "$11,000,000"; in the same line, after the amendment just above stated, to strike out the comma and "of which not exceeding $250,000 shall be available for equipment, and not exceeding $35,000 for travel expenses of special boards", and in line 13, after the word "replacement", to insert a colon and the following proviso: "*Provided*, That both of the limitations under this head in the Supplemental Appropriation Act, 1951, on the amounts available for travel expenses are hereby repealed."

The amendment was agreed to.

The next amendment was, under the subhead "Tennessee Valley Authority," on page 12, line 2, after the word "amount", to strike out "$64,500,000" and insert "$67,000,000."

The amendment was agreed to.

The next amendment was, on page 28, after line 2, to insert:

CHAPTER VIII

DISTRICT OF COLUMBIA

(Out of revenues of the District of Columbia)

Office of Civil Defense

For an additional amount, fiscal year 1951, for "Office of Civil Defense," $337,500; and appropriations granted under this head for the fiscal year 1951 shall be available for personal services without reference to the civil-service and classification laws.

Mr. BRIDGES. Mr. President, I have an amendment to offer on page 16. Is there an understanding that the committee amendments shall be considered first?

The VICE PRESIDENT. Committee amendments are to be disposed of first.

The question is on agreeing to the amendment on page 28, after line 2.

The amendment was agreed to.

The next amendment was, in the heading on page 28, line 12, after the word "Chapter," to strike out "VIII" and insert "IX."

The amendment was agreed to.

The next amendment was, under the heading "Claims for Damages, Audited Claims, and Judgments," on page 28, line 21, after the word "in", to insert "Senate Document No. 244, and", and in line 22, after the word "Congress", to strike out "$5,274,034" and insert "$6,983,938."

The amendment was agreed to.

The next amendment was, in the heading on page 29, line 11, after the word "Chapter", to strike out "IX" and insert "X."

The amendment was agreed to.

The next amendment was, under the heading "General provisions," on page 29, line 13, to change the section number from "901" to "1001."

The amendment was agreed to.

The next amendment was, on page 31, line 4, to change the section number from "902" to "1002."

The amendment was agreed to.

The next amendment was, on page 31, line 11, to change the section number from "903" to "1003."

The amendment was agreed to.

The VICE PRESIDENT. That completes consideration of committee amendments.

Mr. BRIDGES. Mr. President, I send two amendments to the desk and ask that they be stated.

Mr. McKELLAR. Mr. President, will the Senator yield so that I may ask for the adoption of two more amendments which I am authorized to present to the Senate by the Committee on Appropriations and as to which I have given notice?

The VICE PRESIDENT. Does the Senator from New Hampshire yield to the Senator from Tennessee for that purpose?

Mr. BRIDGES. I yield for that purpose.

Mr. McKELLAR. I send the first amendment to the desk and ask to have it stated.

The VICE PRESIDENT. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 1, after line 12, it is proposed to insert the following:

PAYMENT OF SUMS DUE DECEASED CONGRESSIONAL PERSONNEL

(a) Section 49 of the Revised Statutes is amended to read as follows:

"SEC. 49. When any person dies while serving as a Member of or Delegate to Congress, as Resident Commissioner from Puerto Rico, as an officer or employee of either the Senate or House of Representatives, or as an employee of a joint committee of the Senate and House of Representatives, the appropriate disbursing officer of the Senate or House of Representatives shall pay to the widow or widower of such person, or, if there is no widow or widower, to the next of kin or heirs at law of such person, any unpaid balance of salary or other sums due such person at the time of his death."

(b) Section 50 of the Revised Statutes is repealed.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, I offer another amendment on behalf of the Committee on Appropriations. Its presentation was unanimously directed by the committee.

The VICE PRESIDENT. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 4, before the heading entitled "Chapter III," it is proposed to insert the following:

MARITIME ACTIVITIES

SHIP CONSTRUCTION

The first proviso in the paragraph under the head "United States Maritime Commission, ship construction" in the Independent Offices Appropriation Act, 1951, is hereby amended by striking out "December 31, 1950" and inserting in lieu thereof "June 30, 1951".

Appropriations and contract authority made available to the United States Maritime Commission for ship construction in the fiscal years 1950 and 1951, and in addition thereto $224,000,000 in contract authority, the totals of which, including not to exceed $500,000 which may be transferred to the appropriation "Salaries and expenses" for necessary administrative costs without regard to limitations thereon in said appropriations, and including not to exceed $15,000,000 for the construction, activation, acquisition, and expansion of plant or facilities, on land whether owned by the Government or otherwise owned, shall be available, without regard to the provisions of the Merchant Marine Act of 1936 with respect to essential trade routes, for construction of such additional dry-cargo vessels as the Secretary of Commerce, with the approval of the President, shall find necessary for national security: *Provided,* That such additional vessels shall not be subject to the first proviso under the head "New ship construction" in the Independent Offices Appropriation Act, 1950, or the last proviso under the head "Ship construction" in the Independent Offices Appropriation Act, 1951.

For the payment of obligations incurred on or after July 1, 1946, including obligations authorized herein, for ship construction, reconditioning and betterments, pursuant to the Merchant Marine Act, 1936, as amended, and to the authority granted under the head "United States Maritime Commission" in the several appropriation acts for the fiscal years 1947, 1948, 1949, 1950, and 1951, the unexpended balance of funds heretofore appropriated for the liquidation of such obligations may be consolidated and may, in total, be available for the liquidation of such obligations.

SALARIES AND EXPENSES

Limitation under the head "Salaries and expenses," United States Maritime Commission, in the Independent Offices Appropriations Act, 1951, are amended as follows: "Maintenance of shipyard facilities" is increased from "$452,000" to "$483,000," and "Maintenance and operation of terminals" is decreased from "$765,000" to "$734,000."

The amendment was agreed to.

Mr. McKELLAR. Mr. President, on behalf of the committee I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 12, after line 2, under the heading "Tennessee Valley Authority," following the word "expended", it is proposed to insert the following: ": *Provided,* That purchases and contracts for supplies or services may be made by the Authority during the fiscal year 1951 without regard to any provisions of law relating to advertising or competitive bidding."

The amendment was agreed to.

Mr. McKELLAR. Mr. President, on behalf of the committee I offer the amendment, which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 21, after line 11, it is proposed to insert the following:

CHAPTER IX—FOREIGN AID

Whenever he determines that such action is essential, the President may from time to time utilize, for the effective carrying out of the purposes of the China Area Aid Act of 1950 (title II of Public Law 535, 81st Cong.), not to exceed in the aggregate 5 percent of the funds made available for the fiscal year 1951 for the purposes of the Economic Cooperation Act of 1948 (Public Law 472, 80th Cong.), as amended.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Tennessee [Mr. McKELLAR] on behalf of the committee.

The amendment was agreed to.

Mr. KNOWLAND subsequently said: Mr. President, I ask unanimous consent that at the point where the 5-percent ECA amendment was agreed to a statement and two letters from the ECA Administrator be printed in the RECORD.

There being no objection, the statement and letters were ordered to be printed in the RECORD, as follows:

ECONOMIC COOPERATION ADMINISTRATION,
Washington, D. C., December 20, 1950.

Hon. WILLIAM F. KNOWLAND,
United States Senate,
Washington, D. C.

DEAR BILL: You inquired as to the general purposes for which we requested a right to transfer 5 percent of our appropriated funds from title I to title II.

As a result of developments since the passage of this year's appropriations bill less money is needed for economic aid to Europe and more is needed for economic aid in the Far East between now and June 30, 1951. In view of this we feel it desirable that the right be given to transfer up to 5 percent from the European to the far eastern title. This would make available a possible total of $125,900,000 in the general area of China.

This authority is sought for these immediate reasons: to increase by $15,000,000 the amount of aid to Formosa, to provide $15,000,000 to inaugurate a program in the Philippines, and to reimburse the sum of $4,500,000 used to purchase grain sorghums in the United States to relieve a threat of famine in India. In addition, it seems prudent to provide authority in case further transfers prove necessary in the critical area of Far East and Southeast Asia where urgent action may be required at any time. Any transfer of funds which ECA proposes would also, of course, require the approval of the Budget Bureau and the President.

The only one of the above programs which has not already been in operation for some months is the Philippine program where we propose to use up to $15,000,000 between now and June 30, 1951, to the extent that projects are submitted by the Philippine Government which warrant ECA approval. The fund would not be used, however, unless the Philippine Government took the necessary steps for social and fiscal reform which were accepted in general terms by the president of the Philippines in an agreement signed on November 14, 1950. I am attaching a press release which outlines the major points in that agreement, which basically were that if appropriate reforms were undertaken by the Philippine Government the President of the United States would propose a substantial program of economic aid to the United States Congress. This program would be designed to extend over a period of years. ECA does not propose to take any other action on the major program other than the $15,000,000 proposed above until the whole plan has been presented to the Congress for appropriate legislation.

However, since the Government of the Philippines is moving rapidly toward the initiation of those reforms, ECA and the State Department, with the approval of the President of the United States, feel that we should initiate some of the projects at once so as to develop further the enthusiasm and

support of the Philippine Government and people.

With this financial and moral support from the United States I believe that we can establish promptly an effective aid program which will make possible a major improvement in the whole Philippine situation.

Thanks for the opportunity of commenting on these plans.

Sincerely,

WILLIAM C. FOSTER,
Administrator.

P. S.—You will, of course, recall that the China Area Aid Act of 1950 prohibits the use of these funds in Communist-dominated areas.

STATEMENT IN SUPPORT OF AUTHORIZATION TO TRANSFER FUNDS APPROPRIATED UNDER TITLE I FOR THE EUROPEAN AREA TO TITLE II OF THE GENERAL AREA OF CHINA OF PUBLIC LAW 535

As conditions have developed since the appropriation bill was passed, the demands on the funds for Europe will be less in proportion to the demands on the available funds for the general area of China. It is, therefore, felt desirable that flexibility be provided by authorizing the President to transfer up to 5 percent between the two titles of Public Law 535. This proposed flexibility is the same as the Congress provided for the mutual defense assistance program.

It is not intended to use that amount for any new purposes but simply to have funds available which can be used to meet emergencies in the critical Far East area if necessity requires. I am informed that the Economic Cooperation Administration contemplates only the following additional expenditures: $15,000,000 for the Philippines; $15,000,000 for Formosa, and $4,500,000 to replace funds diverted from Burma, Indochina, Indonesia, and Thailand for the purchase of grain to relieve famine conditions in India. These and any other additional expenditures would, of course, require the approval of the Bureau of the Budget and the President.

The only one of the above programs that is new is the one for the Philippines and these funds would not be used unless the Philippine Government took the steps toward necessary social and fiscal reform which were accepted by the President of the Philippines in an agreement signed with Mr. Foster as the representative of President Truman on November 14, 1950. I have been assured that the major program would not be undertaken until the whole plan has been presented to the Congress and approved. The Government of the Philippines, however, is moving rapidly toward the initiation of these reforms and it is felt that the United States should take advantage of that impetus and initiate some of the projects at once.

The need for additional funds for Formosa is urgent due to increased heavy burdens and unless additional funds can quickly be made available, the economy of Formosa will be seriously jeopardized. These requirements for the Philippines and for Formosa cannot be met by reduction of the scheduled programs for Burma, Indochina, Indonesia, and Thailand without severe risk to the achievements of the objectives of the United States in the whole area. Of course none of these funds can be used in a Communist-dominated area.

DECEMBER 16, 1950.

Hon. KENNETH D. MCKELLAR,
United States Senate, Washington, D. C.

DEAR SENATOR MCKELLAR: The Economic Cooperation Administration is now operating in Formosa and Southeast Asia under the authorization of title II of Public Law 535 with funds left over from earlier appropriations for the China-aid program. It is requested that authorization be given the President to transfer up to 5 percent of the funds appropriated under title I to title II of Public Law 535 in order to permit the programs now scheduled to be maintained for the rest of the fiscal year and to provide flexibility to meet contingencies in this strategic and critical area of the world.

About $98,000,000 remained from earlier appropriations for the China-aid program and the Congress earmarked $40,000,000 for the Formosa program, $8,000,000 for humanitarian relief in China and $6,000,000 for Chinese students and teachers in the United States. It was assumed, however, for planning purposes that it would not be feasible to provide relief in China and that the $8,000,000 tentatively earmarked for this purpose would be available for the general area. Fifty-two million dollars were therefore considered to be available for Burma, Indochina, Indonesia, and Thailand, although even this amount was somewhat less than recommended by the Griffin mission which surveyed the needs of these countries during this past spring.

The need for additional funds during this fiscal year for programs which are now scheduled arises primarily because of necessary expenditures which were not anticipated at the time of the original estimates. The President, because of the famine conditions in India, allocated $4,500,000 to purchase grain for that country. Thirty million dollars will also be required to carry out the economic program recently initiated in the Philippines and to maintain the Formosa program which has been changed as a result of the improved military situation of the island from a relief and rehabilitation program operating on a month-to-month basis to one designed to enable Formosa to achieve self-sufficiency within a few years. These additional expenditures cannot be met by reducing the scheduled programs in the other countries without severe risk to the achievement of our objectives in this area. Costs, moreover, have increased substantially since the original estimates were formulated.

As of this date, about $52,000,000 of the $92,000,000 available have been obligated. A good part of the period since the Congress authorized use of these funds in the general area of China, however, had to be utilized in organizing the missions, in negotiating the required bilateral agreements, and in screening the preliminary programs. The program in Burma, Indochina, Indonesia, and Thailand have, therefore, only been in full operation for approximately 2 months, and the amended program for Formosa for about the same length of time. At the rate of obligation which has now been reached and which is required to maintain the momentum of the program, available funds will be exhausted during the third quarter of this fiscal year, even if emergencies do not arise which would require expenditure of more funds than now scheduled. It is considered, moreover, that funds must be available to meet emergency situations.

We, of course, hope that expenditures can be held to the $36,000,000 additional required for the programs now scheduled. The position of the United States in this troubled area should not, however, be risked on the certainty of being able to do so. Authorization is, therefore, requested to transfer up to 5 percent of the funds appropriated for the European area so that funds will be available to meet emergencies as well as to maintain the present programs. For example, it has been apparent in recent weeks that military burdens are weighing heavily on the Formosan economy and considerably more than the amount now estimated may be needed to prevent economic and financial collapse and to preserve the real progress already achieved. The situation in Indochina is critical and the building up of indigenous military forces may impose financial burdens which will require additional economic support. Harvests are again bad in India, and it may again be necessary to help finance increased grain imports if famine conditions are to be avoided. Such examples can be multiplied, but we consider that it is clear that in these days common prudence requires that ample funds be on hand to be used if emergencies do arise.

Authorization to transfer economic-aid funds between areas is required for the same reasons that led the Congress to include such authorization in the MDAP legislation—to enable the United States to move quickly and effectively to meet emergencies threatening our over-all struggle against the forces of the Kremlin. We do not know in advance just where the pressure against the free world is going to build up or in what area it may be wise for the United States to use its economic strength in the general effort to combat Communist pressure. We do know that with resources that can be rapidly mobilized the United States stands a better chance of counteracting the strains and holding the line against the forces of subversion and aggression.

Sincerely yours,

WILLIAM C. FOSTER,
Administrator.

PROPOSED LANGUAGE

Whenever he determines that such action is essential, the President may from time to time utilize, for the effective carrying out of the purposes of the China Area Aid Act of 1950 (title II of Public Law 535, 81st Cong.), not to exceed in the aggregate 5 percent of the funds made available for the fiscal year 1951 for the purposes of the Economic Cooperation Act of 1948 (Public Law 472, 80th Cong.), as amended.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. MCKELLAR. I yield.

Mr. LANGER. I connection with the maritime activities amendment which was adopted a moment ago, providing an additional $224,000,000, could the Maritime Commission buy the two ships which were discussed the other day, the *Mariposa* and the *Monterey*?

Mr. O'MAHONEY. Mr. President, will the Senator yield to me?

Mr. MCKELLAR. I yield.

Mr. O'MAHONEY. Let me say that it was not in contemplation of the committee or of the evidence which was presented to us that that should be done. This appropriation is designed to enable the Maritime Commission to build new ships which are required by the Defense Establishment.

Mr. LANGER. The amendment specifically exempts the Commission from any necessity for buying new ships. It does not provide that these are to be new ships.

Mr. O'MAHONEY. The amendment has to do with new ship construction, as is disclosed by the following provision:

The first proviso in the paragraph under the head "United States Maritime Commission, ship construction" in the Independent Offices Appropriation Act, 1951, is hereby amended by striking out "December 31, 1951", and inserting in lieu thereof "June 30, 1951."

Appropriations and contract authority made available to the United States Maritime Commission for ship construction in the fiscal years 1950 and 1951, and in addition thereto $224,000,000 in contract authority——

Mr. LANGER. Let me invite the Senator's attention——

Mr. O'MAHONEY. I beg the Senator's pardon. Please permit me to answer.

The appropriation acts for the fiscal years 1950 and 1951 which Congress passed last year, and which are referred to, did not contain provisions authorizing the acquisition of the ships referred to, and there was under consideration upon the floor the other day a special bill dealing with that question, which was not passed. I feel quite confident that there is nothing in this amendment which changes the situation with respect to the two vessels to which reference has been made.

Mr. LANGER. Mr. President, will the Senator further yield?

Mr. O'MAHONEY. I yield.

Mr. LANGER. I call attention to the proviso at the end of the second paragraph of the amendment, reading as follows:

Provided, That such additional vessels shall not be subject to the first proviso under the head, "New ship construction" in the Independent Offices Appropriation Act, 1950, or the last proviso under the head, "Ship construction" in the Independent Offices Appropriation Act, 1951.

Mr. O'MAHONEY. Those provisos were provisos of limitation, by which only a certain number of new vessels could be built. That is all that has been eliminated.

Mr. LANGER. What the Senator from North Dakota wants to know is this: Must this $224,000,000 be spent for new ships?

Mr. O'MAHONEY. Yes.

Mr. LANGER. Or can the Commission buy old hulks?

Mr. O'MAHONEY. No. This is for new ships.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. SALTONSTALL. Is it not true that by changing the language which is a part of the amendment of the Senator from Tennessee, the Maritime Commission is permitted to use, up to July 1, 1951, certain funds which were appropriated for the construction of passenger ships? That language has been changed so that freight-carrying ships may be constructed, ships which will have a speed of 20 knots, draw 30 feet, and hold a certain number of tons.

Mr. O'MAHONEY. New ships.

Mr. SALTONSTALL. New ships; and those new ships are to cost $7,000,000 apiece. By putting in the $224,000,000 in addition to the language change with respect to the $126,000,000, we permit the Maritime Commission to build 50 new ships. Is not that correct?

Mr. O'MAHONEY. The Senator is quite correct. Will the Senator not agree with me that it is not the intention of the committee, and there is nothing in this language to authorize the purchase of any old ships?

Mr. SALTONSTALL. It certainly is not the intention of the committee. Absolutely not. Other ships would have to be purchased by the Navy Department from military funds, entirely apart from this appropriation. That is the committee's intention.

Mr. O'CONOR. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. I yield.

Mr. O'CONOR. Is it not true, in furtherance of the statement of the Senator from Wyoming, that Admiral Cochran of the Maritime Commission and others have urged this measure as essential, so as to provide ships in addition to those which are presently available, and that the entire urge is for new construction to supplement existing facilities?

Mr. O'MAHONEY. The Senator from Maryland is quite correct. I think I am at liberty to say that a request is now pending before the Bureau of the Budget for additional sums for the construction of additional ships. This request will be presented in the new budget.

Mr. McKELLAR. At all events, I will say to the Senate that the committee allowed what was asked, because we thought it was a time of danger, and that new ships ought to be made available. After hearing the testimony of the various witnesses we allowed this item to go in.

Mr. O'CONOR. Mr. President, will the Senator from Tennessee yield in order that I may insert in the RECORD a statement in support of the committee's position on this question.

The VICE PRESIDENT. Without objection, the statement will be printed in the RECORD.

The statement is as follows:

STATEMENT BY SENATOR O'CONOR

There are few, if any, requirements which have greater merit and call for more immediate action than the upbuilding of our merchant marine.

Despite the costly lessons of World Wars I and II, our Nation has failed to give proper recognition to the important part to be played in an emergency by the merchant marine. Despite the experience of the past, many people considered the laid-up fleet as available for any use when necessity arose.

Some of us saw the inherent dangers in this policy and gave warning that we would be caught unprepared if we did not take forthright and adequate steps to remedy the situation. I might add at this juncture that about a year ago I introduced the long-range shipping bill which, if promptly enacted, would have gone far to remedy the present unfortunate situation.

In the Korean crisis America learned to its sorrow that only a small portion of the laid-up fleet was of the type that could be placed into immediate service in order to answer the need of the hour. It is a matter of great regret to note that we did not have enough troop ships and fast cargo ships ready for the emergency. It was necessary to charter foreign ships and it would have been even more disastrous had we been faced by a foe which had readily available submarines and air forces to repel the Inchon landing.

There is imperative need for ships which can move American troops expeditiously. There is immediate need for fast cargo ships that can continue to help the armed services by transporting ammunition and supplies. The inexcusable neglect evidenced toward the maritime industry has resulted in a deplorable condition with regard to available shipbuilding personnel in the United States. Unless remedial action is taken, and taken promptly, in connection with efforts to mobilize the country's resources against Communist aggression, it would be folly to expect anything but a complete break-down of American shipping and ship construction in the event of the long-dreaded all-out attack by Communist forces.

Recollection of the great number of ships constructed during World War II confuses many of our people, who apparently feel that these laid-up ships could be put back into service at a moment's notice, and would be entirely satisfactory for naval auxiliary and Army transport use. As anyone familiar with the situation knows full well, however, there is quite a time lag between the withdrawal of these vessels from the laid-up fleet and the date of their reentry into service. Much more important, however, is the fact that, by and large, they are not fast enough to keep up with the speedy naval forces of today or to avoid the improved enemy submarines that will be encountered in any future naval engagement.

What is urgently and vitally needed is a continuing program of ship construction which will prevent "block obsolescence", that will permit recruitment and maintenance of a minimum core of experienced shipbuilders, and that will keep the United States at least somewhat abreast at all times of its peacetime and wartime maritime needs.

American private enterprise can be depended upon to do its part in ship construction if only the Nation will give it the opportunity. World War II demonstrated better than anything in history how successfully the maritime industry can respond in an emergency if it is given the sign to go ahead.

Those of us who took active part in the lengthy committee hearings over the 5-week period earlier this year have long since been convinced of the crying need for a strong American merchant marine. This great industry can be of inestimable value during the national emergency, now declared by the President. In past crises patriotic merchant seamen have done their full share in protection of the interests of the United States. Backing them will be ship construction and ship repair organizations who are experienced and able and deserve our support. No finer group of patriotic citizens can be found in America than the key officials, the workers and seamen who together represent a merchant marine of which our Nation can well be proud.

DECEMBER 19, 1950.

The PRESIDENT OF THE UNITED STATES,
Washington, D. C.:

Respectfully urge administration support for long-range shipping bills in Congress, S. 2786 and H. R. 5346. The maritime industry has not had the attention it warrants as part of the national-defense organization. The objections previously put forward by the Treasury Department and the Bureau of the Budget are now entirely overshadowed by the current emergency.

Respectfully yours,

GEO. H. FRENCH,
President, the Maryland Drydock Co.

BALTIMORE ASSOCIATION OF COMMERCE,
Baltimore, Md., December 18, 1950.

Hon. HARRY S. TRUMAN,
President of the United States,
Washington, D. C.:

The Baltimore Association of Commerce, representing 2,300 business and industrial organizations of this community, earnestly requests your vigorous support of the long-range shipping legislation now pending before Congress after receiving approval of the appropriate committees of both Houses.

A strong United States-flag merchant fleet is a fundamental need in this period of national crisis both as a defense measure and for the preservation of our economy. As a center of world shipping and ship construction and repair with experienced personnel whose skills must be preserved for this emergency, Baltimore is particularly concerned. We view the situation, however, primarily as a national issue of the gravest significance.

G. H. POUDER,
Executive Vice President.

Mr. RUSSELL. Mr. President——

Mr. KNOWLAND. Mr. President, will the Senator yield for an insertion in the RECORD at this point of some explanatory material?

Mr. BRIDGES. Mr. President, did not I have the floor?

The VICE PRESIDENT. The Chair begs the Senator's pardon. The Senator from New Hampshire had the floor, and yielded to the Senator from Tennessee for the purpose of offering some amendments.

Mr. BRIDGES. I yield to the Senator from Georgia.

Mr. RUSSELL. Mr. President, in view of the action taken by the Senate in enacting the authorization for military public works, I ask that the bill be amended, on page 14, line 14, after the words "Military construction, Army," by inserting "including construction as authorized by law."

The VICE PRESIDENT. Without objection, that amendment will be made.

Mr. RUSSELL. I offer the same amendment on page 18, line 22, after the word "new", the language to be inserted being "including construction as authorized by law."

The VICE PRESIDENT. Without objection, the amendment is agreed to.

Mr. BRIDGES. Mr. President, I ask that my two amendments be stated. The amendments are offered on behalf of the Senator from Oregon [Mr. CORDON], the Senator from California [Mr. KNOWLAND], and myself.

The VICE PRESIDENT. The first amendment offered by the Senator from New Hampshire for himself and other Senators will be stated.

The LEGISLATIVE CLERK. On page 16, line 24, after the word "therefor", it is proposed to insert: ": *Provided further*, That none of the funds provided under this head shall be used for such purposes in any territory of Korea under Communist control."

Mr. BRIDGES. Mr. President, Members of the Senate will find this item on page 16, under the heading "Civilian Relief in Korea." During the hearings I questioned Secretary Marshall and Secretary Lovett about this problem. Let me read this brief quotation:

AMOUNT FOR RELIEF IN KOREA

Senator BRIDGES. I wondered in this bill about the item for $100,000,000 for relief of various kinds in Korea. Considering the current situation there, I should like it would be pretty difficult to apply that now, would it not?

Secretary LOVETT. Yes; I think it would, Senator BRIDGES. General McGruder has the details on that. That was responsive to a request in the Department to estimate the needs on the assumption of course at that time that the pacification of Norh Korea was in motion. The South Korean portion of it is, of course, in the lap of the gods.

Senator BRIDGES. I notice in the North Korean item, a lot of it is for rebuilding municipal distribution systems in North Korea. I am just wondering whether or not that is at least a nccessary thing in this appropriation. We would have to know what the situation was certainly before we rush into this to appropriate for North Korea rehabilitation when it may never be in our hands.

Secretary LOVETT. That will be one of the last items, I am sure, that is justified, Senator BRIDGES, and of course it would depend on the circumstances then.

Senator BRIDGES. Certainly, but I am not sure that psychologically it would be the thing for us to do, to throw $100,000,000 into this to help rehabilitate the Communists in North Korea at this particular time. I think you people will want to center on other things, as I would. I would be enthusiastic about a situation developing, perhaps, of rebuilding some of South Korea, but there would have to be quite a lot of salesmanship done on me to spend a lot of money rebuilding North Korea.

Mr. McKELLAR. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. McKELLAR. I have no objection to the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. BRIDGES] on behalf of himself, the Senator from Oregon [Mr. CORDON], and the Senator from California [Mr. KNOWLAND] on page 16, after line 24.

The amendment was agreed to.

Mr. BRIDGES. Mr. President, on behalf of myself and the Senator from Oregon [Mr. CORDON], I offer another amendment which I ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 16, line 21, after the word "transportation;", it is proposed to strike out "$100,000,000" and to insert in lieu thereof "$50,000,000."

Mr. McKELLAR. Mr. President, I have no objection to the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. BRIDGES].

The amendment was agreed to.

Mr. BRIDGES. Mr. President, a good deal of question has been raised by Members of the Senate respecting the progress of the Department of Defense in awarding contracts, how those contracts are awarded, whether by bid, whether by negotiated contracts, and whether or not the rising scale of prices has interfered with the ability of the contractor or the subcontractor to deliver. There is a colloquy in the hearings beginning at the middle of page 26 and continuing to page 31, in which the Senator from New Hampshire submits a series of questions and is joined in them by the Senator from Wyoming [Mr. O'MAHONEY], the Senator from California [Mr. KNOWLAND], the Senator from Alabama [Mr. HILL], and other Senators. I ask unanimous consent that the questions and answers to which I have referred may be printed in the RECORD at this point as a part of my remarks.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

DEFENSE CONTRACTS

Senator BRIDGES. Mr. Chairman, in order to expedite things here, I would like to ask a series of questions, and then allow the Defense Department to answer them in writing at the next meeting on Monday, and that would expedite the thing here, if you will.

1. I would like the approximate figure as to the number of defense contracts awarded up to date.

2. Whether the contracts have been awarded on bid or negotiated basis?

3. If there have been any negotiated contracts, in general, what have they been for?

4. If contracts have been awarded on a bid basis, have there been cases where the successful bidder was unable to assume his obligations in the contract through failure to produce the product? There are a good many rumors on that, in the Subcommittee in the Armed Services.

Then, 5. How many successful bidders have had to ask for more funds subsequent to the date of the contract due to circumstances which they consider beyond their control?

Senator HILL. Would you say "And what were those circumstances"?

Senator BRIDGES. Yes.

6. If from the answers to the above it is obvious that certain contracts are not being fulfilled according to their original obligations, we would like a report made to the committee which would include the following:

1. The total contracts awarded on the bid basis, on negotiated basis. Contracts awarded on the bid basis subsequently canceled by the Department of Defense, and for what reason canceled. Contracts awarded on the bid basis for which no deliveries have been made by contracting firm or industry, and for what reason. A number of contracts awarded on the bid basis where contracting firm or industry came back for an increase in funds for completion, and for what purpose.

Senator O'MAHONEY. May I interrupt at at that point to ask a question subordinate to that? How many contracts contain escalator price clauses?

Senator BRIDGES. That is very good. And what is the policy on subcontracts? In other words, various people of your Department with or without your knowledge are making different statements about subcontracts, and sometimes it is said that the Defense Department has complete jurisdiction over them, and some others say, "Well, now, that is a thing over which we have no jurisdiction and that comes wholly under the contracting firm for the top contract."

I think if the clerk will submit those, and they can be answered in writing, that will save a lot of time here.

Senator O'MAHONEY. Let us add another question: What has been the experience of the Defense Department with respect to increasing prices during the past 6 months?

Senator ELLENDER. May I submit another question, following Senator BRIDGES? I would like to know this: I have been informed that on several occasions bids have been submitted by various contractors, all of whom have qualified, but yet when the time comes to give the bid out, there is a feeling that in many cases the low bidder is not accepted, although he is qualificd, but is given to one that has had experience in World War II. Now, I would like to know what the policy is going to be in the future, if the Defense Department is going to invite bidders and give it not to those who have the lowest bid, but to those who have had the experience in the past. It strikes me that it ought to be given to the lowest bidder.

Senator O'MAHONEY. The lowest responsible bidder.

Mr. LOVETT. In Senator BRIDGES' first question, you used the word "obligated" or "contracted"?

Senator BRIDGES. I referred to the number that have been awarded, that is, you can subdivide them under those that have been contracted, actually contracts awarded, or that there are partial steps in so doing.

Mr. LOVETT. I find we frequently cause confusion unintentionally by following the budget description of "obligations" which requires the full contract, whereas all of the services operate really on the basis of commitment when letters are sent out and engineering production starts before the contract is fully completed—the basic agreements having been reached. So if Senator BRIDGES will permit, we will deal with it on

the basis of committing funds, and then contracted in addition, so as to give you the full picture. Otherwise it would be misleading.

Senator BRIDGES. There has been called to my attention where I said contracts awarded on a bid basis on which no delivery is made; I mean by that where, for some reason, they have reneged, where you have awarded it in good faith, but where the company has not lived up to the delivery on the contract.

Mr. LOVETT. That is understood.

(The information requested is as follows:)

"DEPARTMENT OF DEFENSE PROCUREMENT ACTIVITY JULY 1 THROUGH OCTOBER 30, 1950

"1. Question. Number of Department of Defense contracts awarded and/or committed since July 1. Money value represented by such contracts.

"Answer. During the first 4 months of fiscal year 1951, the Department of Defense placed approximately 500,000 purchase actions. Since this figure includes local purchases (purchases under $1,000), which type of purchase accounts for the great bulk of all governmental purchase transactions, it is probably more significant that there has been committed and obligated from all procurement funds and project authorizations during the period approximately $8,100,000,000. It must be borne in mind that included in the latter sum are commitments to Government-owned manufacturing arsenals and plants. Accordingly, the industrial impact of these commitments has not been fully realized by the award of all contracts thereunder.

"2. Question. Which part of 1 above was negotiated and which part advertised in number of transactions and amount of money?

"Answer. Although our statistical effort is not entirely current for the first 4 months of fiscal year 1951, the best estimate available is that approximately 50,000 transactions were advertised, representing a value of $900,000,000, and 450,000 transactions were negotiated, representing a money value of over $7,000,000,000. Here, again, it must be borne in mind that the negotiated figure includes local purchases which, during fiscal year 1950, represented 75 percent of the total number of negotiated transactions and 3 percent of the value of the negotiated transactions.

"3. Question. In general terms, what items are being negotiated?

"Answer. Generally speaking, the military departments have been negotiating for the following types of items: (a) those that are highly technical; (b) those for which but one source exist; (c) those which are urgently needed in support of military operations; and (d) those that are in extremely short supply. Included are such items as tanks and military-type vehicles, large and complicated electronic items, aircraft, missiles, aircraft maintenance and overhaul services, airline transportation services, steel, aluminum and aviation gasoline, and the like.

"The Secretary of Defense approved today, December 18, 1950, a policy designed to broaden the industrial base of our procurement programs. This policy requires that contracts be spread across industry as widely as possible. In accomplishing this purpose wider use of negotiation will be required. Formal advertising will continue to be used, but not when its use will adversely affect either the speed-up of the procurement process or the broadening of the industrial base. The declaration by the President of a state of national emergency permits the Secretaries of Army, Navy, and Air Force to authorize negotiation pursuant to the authority of section 2 (c) (1) of the Armed Services Procurement Act of 1947. Copy of the policy approved today is set forth below, showing the 10 points to which the military departments are to pay particular attention in placement of contracts.

"4. Question. Under advertising—

"(a) What is the experience with respect to default by contractors?

"Answer. Defaults in advertised Department of Defense procurements have always been negligible in number. There has been no marked upswing in the number of defaults since July 1, 1950. However, it should be noted that in general it is still too early for default actions to occur with respect to advertised contracts related to the Korean action. The reason for this is that, in general terms, awards made during August 1950 specify delivery dates of from 2 to 6 months. The Department foresees, however, an increase of defaults for the reason of contractor's inability to perform.

"(b) Have the contracts been canceled? If so, for what reason?

"Answer. There have been the usual number of 'terminations for the convenience of the Government.' In addition, there have been cases of termination for default which, upon investigation, are found to have been justified under the provisions of the contract. In these instances the cases are converted and terminated 'for convenience of the Government' and not by 'default.' Where the justification does not exist it is necessary that the excess costs, if any, of the default be held against the defaulting contractor's account. Appeals are permitted in the instances where differences of opinion are not resolved between the contractor and the contracting officer.

"(c) Have upward revisions in prices been requested? For what reason?

"Answer. Yes. Upward revisions in prices have been requested in order to prevent serious loss to contractors due to continuous and serious price increases. In those instances in which the contract did not specifically provide for the price redetermination or escalation, the requests were refused, since there is no legal basis for adjusting prices upward without legal consideration.

"(d) Are awards made to the lowest bidder? Under what circumstances does production experience in World War II result in an award to other than the lowest bidder?

"Answer. Yes; awards are made to the lowest responsible bidder, price and other factors considered. Prior to receiving the award of a military contract, a bidder must show evidence of his financial and technical qualifications to perform. Previous successful production experience, including that of World War II, is one indication of such qualification. However, award is never made solely because of World War II production experience to other than the lowest responsible bidder.

"5. Question. In general terms, have contractors requested upward revisions in prices without consideration or under price redetermination or escalation provisions contained in the contract? Upon what basis have the revisions been requested?

"Answer. In situations in which the contracts do not contain price redetermination or escalation clauses, contract modifications have been requested on the basis of serious financial loss due to the unforeseen price increases. Since no legal consideration passes to the Government, relief cannot and has not been granted. In situations in which price redetermination or escalation clauses are included in the contracts, upward price revisions have been allowed in accordance with the terms of the particular contract.

"6. Question. In general terms, how many contracts contain provisions for price escalation?

"Answer. Very few. Every effort is made to purchase military requirements on a fixed-price basis. Price escalation and price redetermination is authorized only when there are unknown pricing factors which will become evident as production under the contract progresses and, by including the clauses, contingency charges will be minimized. It should be noted that there is considerable pressure for price redetermination and escalation provisions in procurements now under consideration. If economic conditions continue as at present, it can be expected that further pressure for such escalation will be exerted.

"7. Question. In general terms, what is Department of Defense experience in price increases in the last 6 months?

"Answer. The Department of Defense has undertaken, within each of the military departments, a continuing study of price levels. Price comparisons for end products purchased by the military departments are difficult to make because of the constant evolution and development of the product, and our price studies indicate that price increases have varied considerably by types of products. We have also even found that there have been price decreases resulting from greater volume production. Both the Air Force and the Navy have indicated a general experience of an over-all price rise of approximately 10 percent occuring over the period in question. Price studies of the Army made by each of the technical services of representative items procured by the technical services show:

Technical services	Items	Average price increases, percent
Signal Corps	Radio set and field wire	9.7
Corps of Engineers	Lumber and miscellaneous construction equipment	18.3
Quartermaster	Cotton and wool cloth, wool (foreign and domestic), leather and shoes	30.5
Transportation Corps	Railroad cars and cargo pallets	12.8
Ordnance Corps	Metals, chemicals, etc	30.8
Medical Services	Miscellaneous medicines, chemicals, and medical devices	34

"8. Question. What is the current Department of Defense policy in regard to subcontract management?

"Answer. One of the principal services the Government obtains from industry under a contract is contractor management which includes, among other things, subcontract management. Although the Military Departments promote the widest possible subcontracting by the prime contractor and particularly small business, and reserve the right to approve the more significant subcontracts, they do not intervene in any way nor direct the contractual relationship between the prime contractor and his subcontractors.

"BROADENING OF POLICY RELATIVE TO THE INDUSTRIAL BASE OF PROCUREMENT PROGRAMS

"The President has declared a national emergency. The issuance of this declaration permits the Secretaries of the Military Departments to authorize the negotiation of purchases and contracts pursuant to the authority contained in section 2 (c) (1) of the Armed Services Procurement Act of 1947. The Munitions Board recommended, and I approved, the following statement of policy.

"The Military Departments have already received instructions to accelerate procurement actions in connection with second supplemental 1951 funds. It is essential in complying with these instructions that contracts

be spread across industry as widely as possible in order to broaden the industrial base of our procurement program. Broadening the base will require wider use of negotiation. Formal advertising will continue to be used in appropriate cases, but not when such use will adversely affect the acceleration of procurement or the broadening of the industrial base contemplated by this directive.

"The Military Departments should pay particular attention to—

"(a) The greatest possible integration of current procurement contracts with the industrial mobilization program and the accepted schedules of production.

"(b) The equitable distribution of procurement contracts among the maximum number of competent suppliers. The concentration of contracts with a few leader suppliers is to be avoided unless the necessity therefor is clear.

"(c) The utilization of existing open industrial capacity to the maximum. Expansion of facilities should not be authorized when open capacity can be found. Whenever time permits, and in order to broaden the mobilization base, additional contractors should be utilized in lieu of multishift or overtime operation.

"(d) The fullest possible use of small-business concerns.

"(e) The utilization in negotiation of competition and multiple awards, whenever possible.

"(f) The aggressive encouragement or requirement of subcontracting by prime contractors.

"(g) The provision of maximum incentive to the producer for the reduction of his costs.

"(h) The placement of contracts with a view to economies in the use of transportation facilities.

"(i) The availability of manpower in distressed employment areas or in areas of manpower shortages.

"(j) The reservation of special skills and abilities for the more difficult production tasks.

"To the extent necessary, departmental procurement procedures and practices should be modified to conform to the foregoing. Particular attention should be paid to the caliber of personnel engaged in the negotiation of contracts."

Mr. MURRAY. Mr. President, I offer as an amendment a new section, which I ask to have inserted at the proper place in the bill, and which I ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. At the appropriate place in the bill it is proposed to insert:

SEC. —. In order to stimulate production of strategic minerals and metals from small deposits located in the United States, the RFC is authorized and directed, pursuant to regulations duly promulgated in that regard, and provided a claim has been filed or is filed within 6 months immediately following the date of the enactment of this act, to pay to a producer of strategic or critical minerals or metals, an amount equal to the unrecovered costs, including capital expenditures, not, however, in excess of $100,000,000 to any one producer, incurred during the period between September 8, 1939, and August 14, 1945, in a good faith effort to furnish or arrange to furnish any of said materials or metals for use in the prosecution of the war, whether contracted for in writing or in response to any oral, written, or published request, solicitation, appeal, or offer to purchase from a contracting agency defined in the Contract Settlement Act of 1944, Seventy-eighth Congress, Public Law 395. A claim otherwise allowable under the provisions of this act shall not be barred by reason of (1) prior rejection under the Contract Settlement Act of 1944, Public Law 395, Seventy-eighth Congress, or (2) the lapse of a corporate charter, where the claim is filed by a surviving stockholder.

Mr. McKELLAR. This is evidently legislation. We have had no hearings on the subject at all. We do not know whether it is good legislation or bad legislation. I am instructed by the committee to enter a point of order against the amendment.

Mr. MURRAY. Mr. President, will the Senator withhold his point of order for a moment?

Mr. McKELLAR. Yes.

Mr. MURRAY. I wish to call attention to the fact that if we are going to produce some of the scarce critical metals which are essential in the war, it is necessary that the action proposed by the amendment be taken. In World War II a great number of small mining operators, as a result of being requested, or acting upon the statements made by the procurement agencies of the Government, undertook to develop some scarce metals and minerals. When the war ended they had not been able to cover the costs of their operations. The amendment seeks to bring about that just action, that just compensation for these mine operators. If we are going to expect them again to undertake development of mines producing scarce minerals we must treat them with fairness and prevent them from incurring great expense for which they would not be compensated. It seems to me it is an amendment which is necessary in order to encourage the small mine operators to go to work on mines that contain metals and minerals of a kind which are essential to war production.

Mr. McKELLAR. Mr. President, if the Senator will permit me, I will say in reply that we do not know with what the amendment deals. It has not been recommended to us. There is no budget estimate for it. There has been no testimony taken about it. The only thing we know is that at the last moment the Senator from Montana offers the amendment. It may be a very good thing, but the Senator will have to offer it at the next session of Congress. It cannot go into this bill. I make the point of order against it.

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). Will the Senator from Tennessee withhold his point of order until the Senator from Nevada [Mr. McCARRAN] has spoken?

Mr. McKELLAR. Yes.

Mr. McCARRAN. Mr. President, I desire to take only several minutes of the Senate's time today on the subject of governmental red tape as it pertains to this country's acute shortage of war metals and minerals.

The Congress enacted into law on September 8, 1950, the Defense Production Act of 1950 with the express purpose of facilitating the production of goods and services necessary for national security. Section 302 of the act gave the President authority to make provision for loans for the exploration, development and mining of strategic and critical metals and minerals. Section 303 of the act gave the President authority to make provision for the encouragement of exploration, development, and mining of critical and strategic minerals and metals.

I believe I can say without successful contradiction that it was the intent of Congress through the act to secure minerals and metals as speedily as possible to build up our depleted reserves. I believe it was the further intent of Congress that the administering agencies designated should have the same thought in mind.

However, the Congress did not reckon with the red-tape experts in its timetable of implementing national security.

More than 2 months after enactment of the Defense Production Act, these red-tape experts in the National Security Resources Board were still hard at work trying to formulate a questionnaire under which an applicant might file for Government loans under terms of the act.

Three months after passage of the act these application forms were finally completed. In fact, they were so complete that an outstanding mining engineer with 25 years of experience told me he could not fill out one of the application form monstrosities if his life depended upon it.

This application form is a masterpiece of "red tape intellect." Each form has 12 pages of searching questions whose answers would no more indicate the production potential of a mine than it would predict a probable date for armageddon. Whether a one-man mining company wants to borrow $5,000 to sink a mine shaft or a big corporation wants $100,000,000 to build an H-bomb plant, the same questions must be answered.

Each questionnaire must be submitted in quadruplicate. An item overlooked by the "red tape experts" was that the paper on which the forms were printed is so heavy that a squad of typewriters cannot make a carbon impression on a duplicate copy, let alone on the triplicate or quadruplicate copies. Perhaps, a miner's jackhammer would be more appropriate.

Let me point to a part of the text of this application form. There are 18 basic questions, with 26 subheadings, plus a comprehensive financial statement, a comparative statement of income and expenses, and a comparative statement of condition of the applicant.

A mining company would be eligible to secure a loan application only if its metal or mineral were on the essential list. Strangely enough, this questionnaire asks the applicant to set forth the existent shortages of the metal or mineral, either regionally or nationally, presumably, the true shortage of a metal such as copper, lead, or zinc, is top-secret information known only to the munitions board, the joint chiefs of staff, and the National Security Resources Board itself.

The form asks the miner to go one step further and do a "crystal gazing act" by predicting to the National Security Resources Board what the future shortage of the metal or mineral might be. Again, such predictions can come only from the munitions board, the Joint

Chiefs of Staff, and the National Security Resources Board.

The applicant must also provide his "blank check" to the Federal Government, by agreeing to "reimburse any agency upon demand for any expenses incurred in connection with or arising out of this application or any loan made pursuant hereto."

Meanwhile, the mining men of the West, who are asking for a chance to dig out minerals vital to any war effort, are plagued with this "comedy of errors."

The National Security Resources Board time and again vetoed suggestions of the Defense Minerals Administration, staffed by some dollar-a-year leaders in the mining industry, that an application form or at least some of the questions have a relevance to the mining industry. Instead, four economists from the National Security Resources Board were allowed to dictate their "red tape whims" to a mining industry trying with every means at its command to build up our mineral reserves.

The Defense Minerals Administration, charged with marshalling our mineral and metal potential, rebelled to no avail against the "red tape dictates." Instead, today, the miner must fill out the 12-page National Security Resources Board form, plus a 10-question Defense Minerals Administration statement of facts. The latter deals with the practical aspects of mining, such as the extent of deposits, assay reports, production records, and production facilities.

One miner has written to me that in dealing with this "red tape," he will probably have to use more lead in writing out the practically endless forms than he will be able to dig out of the ground for some time to come.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Wyoming?

Mr. McCARRAN. I shall finish my statement in a moment.

Mr. O'MAHONEY. I simply wish to make a comment regarding the Senator's speech.

Mr. McCARRAN. Very well, I am glad to have the Senator from Wyoming do so.

Mr. O'MAHONEY. I am very happy, indeed, that the Senator from Nevada has made this statement for the RECORD. The facts, as he relates them, are correct, as they have been found by members of the staff of the Committee on Interior and Insular Affairs. I should like to have the Senator know that the committee will endeavor to induce the authorities who have prepared this amazing questionnaire to see a little light of reason and draw up an application form which a mining engineer can understand and can fill out.

I thank the Senator very much for his statement.

Mr. McCARRAN. Mr. President, I am grateful to the Senator from Wyoming for his contribution. Let me say that it should not be necessary for a mining engineer to fill out the form, because the practical miner who tramps the hills and finds the ledges and knows what a ledge or a lode or a vein is, is usually able to give comprehensive advice as to what he has found. Technical matters—such as, for instance, assays and the like—may follow thereafter.

Mr. President, I am protesting this "red tape monstrosity" to Chairman Stuart Symington, of the National Security Resources Board, in the hope that a more sensible approach may be taken to a critical problem.

I bring this commentary to the attention of the Senate in the further hope that we may be able to point out to the administrative agencies that total war, if it comes, might be lost in a maze of red tape. Such a total war can only be won with planes, tanks, and guns.

This Nation must have minerals and metals—not on paper application forms, but in fighting equipment in the hands of our soldiers, sailors, and airmen.

I thank the Senate for its attention.

Mr. McKELLAR. Mr. President, in regard to the amendment of the Senator from Montana [Mr. MURRAY], I make the point of order that it proposes the addition of legislation to an appropriation bill. I am very sorry to have to make the point of order. I do so upon instructions of the committee.

Mr. President, at this point I ask unanimous consent that the clerks at the desk be authorized to correct chapter and section numbers in the bill to correspond with the amendments which have been made.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURRAY. Mr. President, I merely wish to associate myself with the remarks which have been made by the distinguished Senator from Nevada [Mr. McCARRAN]. He has clearly shown the need for a revision of the questionnaires he has discussed. Not only must that be done, but must adopt some kind of a fair and decent attitude toward the small mine operators if we are going to get them to undertake to develop the scarce and strategic minerals which are essential to the defense preparations of our country.

In the last war, many hundreds of the small mine owners went to work because they felt it was their patriotic duty to undertake to open up deposits which they thought would be promising and would furnish the Government with the necessary metals and minerals for the prosecution of the war.

That is the reason why I offered my amendment today. I am sorry that it is going to be made the subject of a point of order. I hope that at some proper time we may be able to have this matter taken care of.

Mr. O'MAHONEY. Our committee will be glad to hear the Senator at any time.

Mr. MURRAY. I thank the Senator very much.

The PRESIDING OFFICER. The Senator from Tennessee [Mr. McKELLAR] has made a point of order that the amendment of the Senator from Montana proposes the addition of legislation to an appropriation bill.

The amendment is clearly legislation proposed to an appropriation bill; therefore, the Chair sustains the point of order.

Mr. McKELLAR. Mr. President, may we have the third reading of the bill?

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H. R. 9920) was passed.

Mr. McKELLAR. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McKELLAR, Mr. HAYDEN, Mr. THOMAS of Oklahoma, Mr. RUSSELL, Mr. McCARRAN, Mr. O'MAHONEY, Mr. BRIDGES, Mr. GURNEY, Mr. WHERRY, and Mr. CORDON conferees on the part of the Senate.

Mr. MAYBANK subsequently said: Mr. President, in connection with the appropriation for the Treasury and Post Office Departments, I ask unanimous consent to have inserted in the RECORD a statement I have prepared, having reference especially to the Coast Guard.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

As chairman of the subcommittee for the Treasury and Post Office Departments appropriations bill, I feel it is an opportune time to advise the Senate of the splendid work being done in these trying days by the personnel of the Treasury Department, especially by the military and civilian personnel attached to the Coast Guard Service. As Senators know, this service has been in long existence, and has many varied and complex functions, the most recent being the important port security program which was authorized by the so-called Magnuson Act of August 8, 1950 (Public Law 679). To implement this program there is included in the second supplemental pppropriation bill for 1951 $14,700,000 for operating expenses, and $7,900,000 for acquisition, construction, and improvements.

The bill also carries $3,900,000 additional funds for allowances for dependents of enlisted members of the Coast Guard, as provided by the Dependents Assistance Act of 1950 (Public Law 771). The regular bill for 1951 carried under these two heads the respective sums of $136,000,000 and $17,000,000, thus making the total requirements for 1951, $154,600,000 for operating expenses and $24,900,000 for acquisition, construction, and improvements for the Coast Guard Service.

For the most part these fund requirements are essential to our national defense. They represent without doubt the minimum needs of the Coast Guard at this time. Additional military personnel and essential matériel are being procured at an accelerated rate.

It is to be remembered that members of the Coast Guard perform essential and distinguished service both in time of peace as well as in time of war; however, in time of war the Coast Guard operates as a service in the Navy. Therefore, it is of paramount importance to the country that the Coast Guard be maintained in a high state of military

readiness, and only through the sufficiency of funds and the continued good work of the Coast Guard personnel can this be accomplished.

Mr. McCARRAN obtained the floor.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. O'MAHONEY. I desire to call attention to the fact that the appropriation bill which has just been passed carries a total sum for the Department of Defense of $16,845,181,000—an extraordinary sum of money.

In this connection, I desire to call the attention of the Senate to the part of the report of the committee, beginning on page 3 and ending on page 4, entitled "Increasing Prices and National Defense Procurement." I ask unanimous consent that these 2 pages of the report, chapter 7, which deal with national defense, covered in chapter 7, may be printed in the RECORD.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

INCREASING PRICES AND NATIONAL DEFENSE PROCUREMENT

The committee has been profoundly disturbed by continuously increasing prices of commodities affecting national defense and feels that it is the responsibility of the Department of Defense to leave nothing undone to translate into orders at the earliest possible time, the appropriations which are made in this bill. The committee requested of the Department of Defense specific information with respect to the variations in price for military matériel and equipment since immediately before the outbreak of the Korean War. This report filed with the committee by the Office of the Secretary of Defense when analyzed carries the startling information that inflation has cut the value of the dollars of the sums appropriated for defense since pre-Korea by approximately $3,000,000,000.

The Office of the Secretary of Defense reports of the committee that "these price rises are becoming increasingly widespread despite efforts to reduce costs wherever feasible by simplification of specifications and substitution of materials." Again the Office of the Secretary of Defense reports, with respect to the purchase of aviation gasoline; not only that prices have increased by some 3 to 14.6 percent but that "part of the aviation gasoline supplies are being derived from marginal productions * * * that are not economical under normal conditions" with the result that "premiums of varying amounts are being paid for the supply increments furnished from marginal sources reaching from 5 to 45 percent."

It is the opinion of the committee that time is of the essence in the placing and delivery of orders for all defense materials and equipment for which appropriations are here made. The committee will watch carefully and anxiously to see how clearly the Department will accelerate its procurement of vital materials. It demands action by the Department; it hopes the Department will show results.

The committee is aware of the problems involved in putting into effect wage and price controls but believes that the sooner a termination of this problem is concluded, the quicker the monster of inflation may be defeated.

A review of the basic raw materials which go into the production of military commodities clearly shows the impossibility of separating prices on civilian production from prices on military production.

It has come to the committee's attention that quantities of strategic materials have been sold by our friends to Russia and China. It is to be hoped that the free nations allied with us will take steps to at once stop such transactions.

Specific examples of this startling upward trend of prices for military procurement may be set up as follows:

BASIC RAW MATERIALS

Eleven basic raw materials used by the military show an average increase in price from April 1950 to December 1950 of 72.3 percent. Ten of these eleven items had price increases between September and December ranging from 1.2 to 40 percent.

PRICE INCREASES ON SELECTED MAJOR ITEMS

Aviation gasoline purchased through normal channels increased 3–3.2 percent on the Gulf coast and 13–14 percent on the west coast. Prices of supplies obtained from marginal sources are from 5 to 45 percent higher.

Increases in some other important items are as follows:

	Over-all percent increase, April to October-November 1950	Percent increase occurring between August-September and October-November
Army:		
Tires, 7.50 by 20	38.3	14.7
Bailey bridge	37.0	----------
Trousers, cotton, khaki	30.8	12.6
Boots, service, combat	42.4	----------
Cloth, wool, serge, 15-ounce	39.8	10.3
Navy:		
Rope, wire, 9/16-inch	100.0	----------
Mattresses	65.4	65.4
Sheets	50.7	50.7
Shell, smoke	55.8	----------
Air Force:		
Height finder, AN/TPS-10D	38.9	14.3
Parachutes:		
T-7A, parachute assembly with service canopy	51.7	----------
100-foot cargo chute	39.8	----------

In April 1950 the Army paid $23.99 for a 7.50 by 20 tire. In December 1950 that same tire cost the Army $33.18—and nearly $4 of the increase has occurred in the last 2 months.

In April 1950 the Army paid $37,796 for a Bailey bridge. That same bridge now costs the Army $51,792.

In April 1950 it cost the Army 74 cents to cut, make, and trim a soldier's cotton khaki trousers. To perform those same operations in December 1950 costs the Army 97 cents. Nearly half of the increase in the cost of these operations has occurred since September 1950.

In April 1950 the Army paid 57.5 cents for a soldier's wool socks. By December 1950 those same socks cost 68.1, 5 cents of the increase occurring since September.

In April 1950 combat boots cost the Army $5.72 a pair. Those same boots in December cost $8.15 a pair.

In April 1950 the Navy paid 11.9 cents a foot for 9/16-inch wire rope. In December 1950 the price is exactly double, or 23.8 cents.

In August 1950 the Navy paid $8 for mattresses. Those same mattresses cost $13.23 in December.

In August 1950 the Navy paid $1.50 for sheets. Those same sheets cost $2.26 in December.

In April 1950 an Air Force flying jacket cost $16.50. This same jacket in December cost the Air Force $25.

In April 1950 a parachute assembly with service canopy cost the Air Force $198.30. To get this same assembly in December cost $300.77.

In April 1950 the Air Force could buy a 100-foot cargo parachute for $1,287. In December 1950 they must pay $1,798.66.

RELIEF OF NEW YORK QUININE & CHEMICAL WORKS, INC., ET AL.

Mr. McCARRAN. Mr. President, by arrangement with the majority and minority leaders, I at this time move that the Senate proceed to the consideration of Calendar Order 1596, the bill (H. R. 4653) for the relief of the New York Quinine & Chemical Works, Inc., and others.

The PRESIDING OFFICER. The clerk will read the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 4653) for the relief of New York Quinine & Chemical Works, Inc.; Merck & Co., Inc.; and Mallinckrodt Chemical Works.

Mr. AIKEN. I suggest the absence of a quorum. I do so in order that the Senator from New Jersey [Mr. HENDRICKSON] may be present before action is taken on this request.

Mr. O'MAHONEY. I was about to make that suggestion.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WHERRY. Mr. President, in order to expedite the work of the Senate, let me say that the Senator who is interested in this particular piece of proposed legislation is now on the floor, and unless there is some reason for continuing with the quorum call, I ask unanimous consent that the order for a quorum call be rescinded, and that further proceedings under the call be suspended.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on the motion of the Senator from Nevada that the Senate proceed to the consideration of House bill 4653.

Mr. McCARRAN. Mr. President, if I may have the attention of the Senate, I wish to discuss this bill.

This is a private claim bill which involves the payment of $139,000.

Because of the substantial amount involved, the bill was referred by the chairman of the Committee on the Judiciary to a subcommittee, composed of the Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MAGNUSON], and the Senator from Michigan [Mr. FERGUSON].

A public hearing was held on the bill. The bill remained before the subcommittee for some months following the hearing, and was reported favorably to the full committee on May 17.

This is a somewhat complicated matter, but I shall attempt to state it as simply as possible.

This claim arises out of wartime transactions for the purchase of opium from Turkey. The three claimant companies, who are chemists and drug wholesalers, were the ultimate receivers and distributors of the opium. The original purchase from Turkey was made for the

account of the Defense Supplies Corporation by one of the three claimant companies, under an arrangement worked out at the request of the Government. The purpose of this arrangement was to stockpile opium, which was then in short supply, and to make the stockpile available for distribution in the United States, through regular channels.

It is a trade practice of long standing to buy and sell opium on the basis of the morphine content. That is, an initial price is agreed upon on the basis of an assumed morphine content, by percentage; and when the opium is delivered, it is sampled and tested, and the price is then adjusted, up or down, depending on whether the morphine content is higher or lower than the assumed percentage.

In the purchase of this particular opium, this trade practice was recognized in the exchange of correspondence and cablegrams between this country and Turkey. Subsequently, when the opium was parceled out in smaller lots to the three claimant companies, this trade practice was not in terms incorporated in the letters of acceptance which constituted informal contracts for the purchase of the opium by the claimant companies.

The Defense, Supplies Corporation paid the Turkish suppliers for the opium; and subsequently, the American companies who are claimants here paid the Defense Supplies Corporation for the opium which they received. The Defense Supplies Corporation made a profit on the deal in excess of $300,000.

The opium was below standard in the sense that it had a lower morphine content than the assumed percentage. Therefore, the Defense Supplies Corporation was entitled to a refund from the Turkish suppliers. The Department of State attempted, over a long period, to secure this refund, but was unsuccessful in doing so. Then the American company which had handled the original negotiations with Turkey offered to attempt to secure the refund, and by the device of deducting the amount of the refund from the billings to it, by the same Turkish suppliers, of other opium subsequently purchased, was successful in collecting the entire amount. Then, assuming that in accordance with the usual trade practice, this refund would be pased on to the companies which received and distributed the opium, a proposal in this regard was submitted to the Reconstruction Finance Corporation, successor to the Defense Supplies Corporation. The RFC took the position that from the purely legal standpoint, since the contract with the American companies did not contain any specific provision for adjustment of the price in proportion to the morphine content of the opium, and did contain a provision that the opium was being accepted "as is," the amount of the refund could not be passed on to the claimant companies. The RFC did agree that the money should be retained by the company which had collected it, until a determination of the matter; and representatives of the RFC testified that they felt these claimants had an equitable case, and did not oppose enactment of this legislation.

Boiled down, the situation is this: Through the efforts of one of these claimants, the Government has recovered a refund which, in accordance with trade policies, should be passed on to the ultimate purchaser and distributer of the opium in each case. This sum is in excess of a profit of over $300,000 which the Government already has made on the deal. For the Government to get this money, it would constitute a windfall. If the Reconstruction Finance Corporation, through the State Department, had itself successfully recovered this refund, under the accepted trade practice, there would be a moral obligation to pass it on to the claimants here; though it is admitted that it is extremely doubtful whether there would be any basis for legal enforcement of this equitable claim.

Under all the circumstances, it was felt by a majority of the committee that the bill should be approved.

The bill has been passed by the House of Representatives and has come from the House to the Senate. I submit the matter to the Senate.

Mr. HENDRICKSON. Mr. President, first of all I wish to commend the able Senator from Nevada for his very enlightening statement of the equities involved in the pending bill. I, too, wish to join in strongly urging that H. R. 4653 be passed by the Senate. Since I have previously presented my views on the bill, and since the distinguished Senator from Nevada has also made a full explanation of it, I shall not take the time of the Senate to repeat the arguments which have heretofore been made.

I refer my colleagues to pages 12170 and 12171 of the CONGRESSIONAL RECORD for August 8, 1950, for a concise statement of the views of my distinguished colleague, the senior Senator from New Jersey [Mr. SMITH] and to pages 14915 and 14916 of the CONGRESSIONAL RECORD for September 13, 1950, for a detailed and convincing statement made by the able Senator from Nevada [Mr. MCCARRAN].

In fairness to the Senator from Michigan [Mr. FERGUSON] who, as we all know, is out of the country on official business, I think I should say that he objected to the bill when it came up on calendar call. Because of the objections of the Senator from Michigan, I have reexamined the bill very carefully, and I am absolutely convinced that this is a clear case in which considerations of equity completely outweigh strictly legal technicalities which, in themselves, are certainly arguable.

In the light of all the circumstances, the three companies named in the bill should certainly not be forced to turn over to the Government the amount of $139,293.55, which was collected from the Turkish opium monopoly because of a morphine deficiency in the opium the companies bought from the Government. The United States Government has already made a substantial and unexpected profit on its opium stockpiling program, and every consideration of equity supports the retention of the amount provided in the bill by the companies named. I know that if my distinguished senior colleague were on the floor of the Senate this afternoon, he would join in urging that the bill be passed at this time.

The PRESIDING OFFICER (Mr. HUMPHREY in the chair). Is there objection to the present consideration of the bill (H. R. 4653) for the relief of the New York Quinine & Chemical Works, Inc.; Merck & Co., Inc.; and Mallinckrodt Chemical Works?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

FEDERAL CIVIL-DEFENSE PROGRAM

Mr. LUCAS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 2678, the bill (S. 4268) to authorize a Federal civil-defense program, and for other purposes.

Before we begin to debate the measure I should like to suggest the absence of a quorum.

Mr. HICKENLOOPER. Mr. President, I desire to reserve my right to object to consideration of the bill until I can ask the Senator from Illinois a few questions with respect to it.

Mr. LUCAS. I shall be very glad to listen to any inquiry with respect to it.

Mr. HICKENLOOPER. Has the Senator from Illinois discussed the subject with the minority leader?

Mr. LUCAS. On yesterday I advised the Senate that we would take up the civil-defense bill before we concluded with the business of the present session of Congress.

Mr. HICKENLOOPER. I agree that the bill should be considered. I am not raising any question with respect to that point. However, there was some discussion yesterday about the desire of a number of Members of the Senate on this side of the aisle to have time to look at certain provisions of the bill. I do not know whether they have had such opportunity.

Mr. WHERRY. I was not present when the distinguished majority leader made his request. I wonder if he would object to having a quorum call. I believe some Senators who are interested in the bill desire to offer amendments.

The PRESIDING OFFICER. The majority leader stated that he would suggest the absence of a quorum.

Mr. LUCAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. HICKENLOOPER. Mr. President, I understand that the request of the Senator from Illinois has not been acted upon.

The PRESIDING OFFICER. The request of the Senator from Illinois that the Senate proceed to the consideration of the bill is pending.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LUCAS. Mr. President, I ask unanimous consent that the quorum call be suspended.

Mr. MORSE. I object.

81ST CONGRESS
2D SESSION

H. R. 9920

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 21, 1950

Ordered to be printed with the amendments of the Senate numbered

AN ACT

Making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, namely:

CHAPTER I

LEGISLATIVE BRANCH

HOUSE OF REPRESENTATIVES

For payment to Mary Watts Meyer, widow of Herbert A. Meyer, late a Representative from the State of Kansas, $12,500.

(1)*PAYMENT OF SUMS DUE DECEASED CONGRESSIONAL PERSONNEL*

(a) Section 49 of the Revised Statutes is amended to read as follows:

"SEC. 49. When any person dies while serving as a Member of or Delegate to Congress, as Resident Commissioner from Puerto Rico, as an officer or employee of either the Senate or House of Representatives, or as an employee of a joint committee of the Senate and House of Representatives, the appropriate disbursing officer of the Senate or House of Representatives shall pay to the widow or widower of such person, or, if there is no widow or widower, to the next of kin or heirs at law of such person, any unpaid balance of salary or other sums due such person at the time of his death."

(b) Section 50 of the Revised Statutes is repealed.

(2)*ARCHITECT OF THE CAPITOL*

CAPITOL BUILDINGS AND GROUNDS

(3)*For an additional amount for "Capitol Building", $21,500.*

(4)*Senate Restaurants: For replacement of equipment, Senate Restaurant, Capitol Building, to be expended by the Architect of the Capitol under the supervision of the Senate Committee on Rules and Administration, without regard to section 3709 of the Revised Statutes, as amended, $4,000.*

CHAPTER II

DEPARTMENT OF JUSTICE

Legal Activities and General Administration

salaries and expenses, general legal activities

For an additional amount for "Salaries and expenses, general legal activities", $400,000.

Immigration and Naturalization Service

salaries and expenses

For an additional amount for "Salaries and expenses", $3,000,000; and appropriations made under this head for the fiscal year 1951 shall be available for the purchase of twenty additional passenger motor vehicles.

DEPARTMENT OF COMMERCE

Bureau of Foreign and Domestic Commerce

export control

For an additional amount for "Export control", $925,000; and the limitation under this head in the Department of Commerce Appropriation Act, 1951, on the amount available for transfer to the appropriation, "Salaries and expenses", Office of the Secretary, is increased from "$40,000" to "$55,000".

Bureau of Public Roads

inter-american highway

For necessary expenses of continuing the survey and construction of the Inter-American Highway, in accordance

with the provisions of the Act of December 26, 1941 (55 Stat. 860), as amended by section 11 of the Federal-Aid Highway Act of 1950, including the purchase, for replacement only, of five passenger motor vehicles, $4,000,000, to remain available until expended.

(5) *ACCESS ROADS (ACT OF SEPTEMBER 7, 1950)*

For expenses necessary in carrying out the provisions of section 12 of the Federal-Aid Highway Act of 1950, including $2,000,000 for payments of obligations incurred pursuant to the contract authorization granted by said section, to remain available until expended, $10,000,000, of which $2,000,000 shall be derived by transfer from the unexpended balance of funds heretofore appropriated for carrying out the provisions of section 6 of the Defense Highway Act of 1941 (55 Stat. 765).

NATIONAL BUREAU OF STANDARDS

CONSTRUCTION OF LABORATORIES

For an additional amount for "Construction of laboratories", $1,400,000, to remain available until expended; and the amount of the contract authorization granted under this head in the Department of Commerce Appropriation Act, 1951, is reduced from "$5,675,000" to "$3,915,000": *Provided,* That the General Services Administrator is authorized to provide for use by the Department of Commerce, without reimbursement, of not to exceed 100,000

square feet of floor space (to be designated by the Secretary of the Navy) of the former United States Naval Hospital, Corona, California, as a guided-missiles laboratory, and thereafter $1,540,000 of the amounts appropriated under this head shall be available for (1) such modifications, improvements, and equipment of existing buildings and facilities at said location, as are necessary to permit their use for a guided-missiles laboratory (which shall be in lieu of the new construction authorized for such purpose by Public Law 386, approved October 25, 1949), and (2) other administrative expenses necessary for the establishment of said laboratory, including moving expenses, travel, and transportation of dependents and household effects: *Provided further,* That with the exception of the establishment and operation of a cafeteria, no community or recreational facilities shall be established or operated by the Department of Commerce in connection with said activities except as may be specifically authorized by law.

(6) *MARITIME ACTIVITIES*

SHIP CONSTRUCTION

The first proviso in the paragraph under the head "United States Maritime Commission, ship construction" in the Independent Offices Appropriation Act, 1951, is hereby amended by striking out "December 31, 1950" and inserting in lieu thereof "June 30, 1951".

Appropriations and contract authority made available to the United States Maritime Commission for ship construction in the fiscal years 1950 and 1951, and in addition thereto $224,000,000 in contract authority, the totals of which, including not to exceed $500,000 which may be transferred to the appropriation "Salaries and expenses" for necessary administrative costs without regard to limitations thereon in said appropriations, and including not to exceed $15,000,000 for the construction, activation, acquisition, and expansion of plants or facilities, on land whether owned by the Government or otherwise owned, shall be available, without regard to the provisions of the Merchant Marine Act of 1936 with respect to essential trade routes, for construction of such additional dry-cargo vessels as the Secretary of Commerce, with the approval of the President, shall find necessary for national security: Provided, That such additional vessels shall not be subject to the first proviso under the head "New ship construction" in the Independent Offices Appropriation Act, 1950, or the last proviso under the head "Ship construction" in the Independent Offices Appropriation Act, 1951.

For the payment of obligations incurred on or after July 1, 1946, including obligations authorized herein, for ship construction, reconditioning and betterments, pursuant

to the Merchant Marine Act, 1936, as amended, and to the authority granted under the head "United States Maritime Commission" in the several appropriation Acts for the fiscal years 1947, 1948, 1949, 1950, and 1951, the unexpended balance of funds heretofore appropriated for the liquidation of such obligations may be consolidated and may, in total, be available for the liquidation of such obligations.

SALARIES AND EXPENSES

Limitations under the head "Salaries and expenses", United States Maritime Commission, in the Independent Offices Appropriation Act, 1951, are amended as follows: "Maintenance of shipyard facilities" is increased from "$452,000" to $483,000", and "Maintenance and operation of terminals" is decreased from "$765,000" to "$734,000".

CHAPTER III

TREASURY DEPARTMENT

SALARIES AND EXPENSES, DIVISION OF DISBURSEMENT

For an additional amount for "Salaries and expenses, Division of Disbursement", $300,000.

BUREAU OF CUSTOMS

For an additional amount for "Salaries and expenses", $225,000.

SECRET SERVICE DIVISION

For an additional amount for "Salaries and expenses,

Secret Service Division", $82,000: *Provided,* That appropriations granted under this head for the fiscal year 1951 shall also be available for the protection of the vice president.

SALARIES AND EXPENSES, WHITE HOUSE POLICE

For an additional amount for "Salaries and expenses, White House Police", $49,000; and appropriations granted under this head for the fiscal year 1951 shall be available for employment of additional personnel without regard to the limitation contained in section 2 of the Act of August 15, 1950 (Public Law 693).

Coast Guard

OPERATING EXPENSES

For an additional amount for "Operating expenses", $18,600,000; and appropriations made under this head for the fiscal year 1951 shall be available for the purchase of seventy-four additional passenger motor vehicles: *Provided,* That limitations under this head in the Treasury Department Appropriation Act, 1951, are increased as follows: Number of aircraft on hand, from "one hundred and ten" to "one hundred and thirteen"; number of enlisted men detailed for duty at Coast Guard Headquarters, from "thirty" to "fifty-five"; and the amount that may be expended for recreation, amusement, comfort, and contentment of enlisted personnel of the Coast Guard, from "$190,000" to "$250,000".

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

For an additional amount for "Acquisition, construction, and improvements", $7,900,000, to remain available until expended.

RETIRED PAY

Appropriations made under this head for the fiscal year 1951 shall be available for the payment of obligations incurred during prior fiscal years for retired pay.

CHAPTER IV

DEPARTMENT OF LABOR

Bureau of Employment Security

GRANTS TO STATES FOR UNEMPLOYMENT COMPENSATION AND EMPLOYMENT SERVICE ADMINISTRATION

Appropriations made under this head for the fiscal year 1951 shall be available for grants to Puerto Rico and the Virgin Islands in accordance with the Act of June 6, 1933, as amended by the Act of September 8, 1950 (Public Law 775): *Provided*, That in lieu of grants for the purpose of securing office facilities and equipment, the Secretary of Labor may transfer to the Puerto Rico Employment Service any Veterans Employment Service office facilities and properties within Puerto Rico, including records, files, and office equipment.

FEDERAL SECURITY AGENCY

Office of Education

PROMOTION AND FURTHER DEVELOPMENT OF VOCATIONAL EDUCATION

Appropriations made under this head for the fiscal year 1951 shall be available for carrying out the provisions of the Act of March 18, 1950 (Public Law 462).

(7) *Public Health Service*

Grants for hospital construction: For an additional amount for construction grants under part C, title VI, of the Public Health Service Act, as amended, $75,000,000.

Social Security Administration

SALARIES AND EXPENSES, BUREAU OF OLD-AGE AND SURVIVORS INSURANCE

The amount authorized to be expended from the Federal old-age and survivors insurance trust fund for "Salaries and expenses, Bureau of Old-Age and Survivors Insurance", by the Federal Security Agency Appropriation Act, 1951, as amended by the Supplemental Appropriation Act, 1951, is increased from "$53,988,000" to "$56,988,000".

NATIONAL MEDIATION BOARD

Arbitration and Emergency Boards

For an additional amount for "Arbitration and emergency boards", $175,000.

CHAPTER V

DEPARTMENT OF THE INTERIOR

(8)~~SOUTHEASTERN POWER ADMINISTRATION~~

~~CONSTRUCTION~~

~~For construction and acquisition of transmission lines, substations, and appurtenant facilities, and for administrative expenses connected therewith, in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U. S. C. 825s), as applied to the southeastern power area, including purchase (not to exceed five) and hire of passenger motor vehicles, $1,850,000, to remain available until expended.~~

BONNEVILLE POWER ADMINISTRATION

CONSTRUCTION

For an additional amount for "Construction", $1,450,000, to remain available until expended.

CHAPTER VI

INDEPENDENT OFFICES

ATOMIC ENERGY COMMISSION

For an additional amount, (9)~~$840,000,000~~ *$1,080,000,000*, and appropriations made under this head for the fiscal year 1951 shall be available for the purchase of not to exceed (10)~~two hundred and fifty~~ *five hundred and fifty* passenger motor vehicles, including replacements.

(11) *General Services Administration*

strategic and critical materials

For an additional amount for carrying out the Strategic and Critical Materials Stock Piling Act of July 23, 1946 (50 U. S. C. 98), $1,834,911,000.

National Advisory Committee for Aeronautics

(12) *salaries and expenses*

For an additional amount for "Salaries and expenses", $3,250,000; and the limitation imposed by section 103 of the Independent Offices Appropriation Act, 1951, on the amount available for travel expenses under this head, is increased from "$260,000" to "$300,000".

construction and equipment

For an additional amount for "Construction and equipment", $1,818,000, to remain available until June 30, 1952.

Office of the Housing Expediter

salaries and expenses

For an additional amount for "Salaries and expenses", $1,200,000; and the last proviso under this head in the Supplemental Appropriation Act, 1951, is amended to read as follows: "*Provided further,* That no part of this appropriation may be used to pay compensation of any employee in a grade higher than the grade of such employee on May 22, 1950, except when such employee is required to fill a bona fide vacancy occurring in such higher grade".

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", (13)~~$10,787,890~~ *$11,000,000* (14)~~, of which not exceeding $250,000 shall be available for equipment, and not exceeding $35,000 for travel expenses of special boards~~; and appropriations granted under this head for the fiscal year 1951 shall be available for the purchase of sixteen passenger motor vehicles of which one shall be for replacement (15)*: Provided, That both of the limitations under this head in the Supplemental Appropriation Act, 1951, on the amounts available for travel expenses are hereby repealed.*

SUBVERSIVE ACTIVITIES CONTROL BOARD

SALARIES AND EXPENSES

For necessary expenses, including services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not in excess of $50 per diem for individuals, $175,000.

TENNESSEE VALLEY AUTHORITY

For an additional amount, (16)~~$64,500,000~~ *$67,000,000*, to remain available until expended (17)*: Provided, That purchases and contracts for supplies or services may be made by the Authority during the fiscal year 1951 without*

regard to any provisions of law relating to advertising or competitive bidding.

CHAPTER VII

DEPARTMENT OF DEFENSE

For additional amounts for appropriations under the Department of Defense, as follows:

Office of the Secretary of Defense

"Salaries and expenses", $1,000,000; and the limitation under this head in the Defense Appropriation Act, 1951, on the amount available for emergency and extraordinary expenses, is increased from "$50,000", to "$60,000";

"Emergency fund", $50,000,000;

Department of the Army

For additional amounts for appropriations under the Department of the Army, as follows:

OFFICE OF THE SECRETARY OF THE ARMY

"Contingencies of the Army", $19,100,000;

FINANCE DEPARTMENT

Finance Service, Army:

"Pay of the Army", $695,200,000;

"Travel of the Army", $17,700,000;

"Finance service", $4,000,000;

QUARTERMASTER CORPS

Quartermaster Service, Army: *Provided*, That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952:

"Welfare of enlisted men", $7,500,000;

"Subsistence of the Army", $343,800,000;

"Regular supplies of the Army", $275,300,000;

"Clothing and equipage", $892,100,000, of which not to exceed $350,000,000 is for payment of obligations incurred under authority granted under this head in the Supplemental Appropriation Act, 1951, to enter into contracts for the purchase of 100,000,000 pounds of raw wool, woolen garments, fabrics, and knitting yarns for use of all the armed services, which contracts shall not exceed the amount herein appropriated for payment thereunder;

"Incidental expenses of the Army", $34,900,000;

TRANSPORTATION CORPS

"Transportation service, Army", $422,400,000;

SIGNAL CORPS

"Signal service of the Army", $665,100,000: *Provided*, That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

Alaska Communication System:

"Operation, maintenance, and improvement, etc.", $470,000, to remain available until June 30, 1952;

"Construction, etc.", including not to exceed $381,024 for family quarters at the Sheep Mountain, Gulkana, Johnson River, and Harding Lake repeater stations, $464,000, to remain available until expended;

MEDICAL DEPARTMENT

"Medical and Hospital Department", $71,000,000;

CORPS OF ENGINEERS

"Engineer service, Army", $656,600,000: *Provided,* That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

"Military construction, Army" (18), *including construction as authorized by law,* to remain available until expended, $319,700,000;

ORDNANCE DEPARTMENT

"Ordnance service and supplies, Army", $4,003,500,000: *Provided,* That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952: *Provided further,* That the sum of $2,500,000 of the appropriation "Ordnance service and supplies, Army", 1942–1946, shall remain available until June 30, 1951, for the payment of obligations incurred under contracts executed thereunder prior to July 1, 1946;

CHEMICAL CORPS

"Chemical service, Army", $51,100,000: *Provided,* That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

ARMY TRAINING

"Army training", $3,600,000;

UNITED STATES MILITARY ACADEMY

Maintenance and Operation

"Maintenance and operation", $65,000;

CIVILIAN COMPONENTS

"Army National Guard", $28,100,000: *Provided,* That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

"Organized reserves", $10,900,000: *Provided,* That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

DEPARTMENTAL SALARIES AND EXPENSES

Salaries, Department of the Army:

"Office of the Chief of Staff", $370,713;

"Adjutant General's Office", $1,679,965;

"Office of the Inspector General", $4,202;

"Office of the Judge Advocate General", $17,530;

"Office of the Chief of Finance", $118,434;

"Office of the Quartermaster General", $604,154;

"Office of the Chief of Transportation", $178,725;

"Office of the Chief Signal Officer", $483,339;

"Office of the Provost Marshal General", $42,212;

"Office of the Surgeon General", $383,585;

"Office of the Chief of Engineers", $416,013;

"Office of the Chief of Ordnance", $408,576;

"Office of Chief, Chemical Corps", $187,442;

"Office of Chief of Chaplains", $5,110;

"Contingent expenses, Department of the Army", $9,300,000;

EXPEDITING PRODUCTION

"Expediting production", $575,000,000: *Provided,* That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

CIVILIAN RELIEF IN KOREA

For expenses, not otherwise provided for, necessary for emergency relief for the civilian population of Korea, including the procurement, operation, maintenance, and distribution of equipment, materials and services for informational and reorientation purposes; travel; and transportation; (19) ~~$100,000,000~~ *$50,000,000,* to remain available until June 30, 1952: *Provided,* That materials and supplies available to the Department of Defense may be used for the purposes of this appropriation without reimbursement therefor (20): *Provided further, That none of the funds provided*

under this head shall be used for such purposes in any territory of Korea under Communist control;

DEPARTMENT OF THE NAVY

"Military personnel, Navy", $184,547,000;

"Military personnel, officer candidates", $469,000;

"Navy personnel, general expenses", $21,801,000;

"Military personnel, Marine Corps", $96,323,000;

"Marine Corps troops and facilities", $291,092,000, of which $5,312,000 shall be derived by transfer from "Military personnel, Marine Corps Reserve, 1951";

"Aircraft and facilities", $158,520,000, of which $9,756,000 shall be derived by transfer from "Military personnel, Naval Reserve, 1951", and $4,781,000 by transfer from "Military personnel, Marine Corps Reserve, 1951";

"Construction of aircraft and related procurement", $156,360,000, to remain available until expended: *Provided,* That the aircraft procurement program established under this head in the Defense Appropriation Act, 1951, as increased by the Supplemental Appropriation Act, 1951, is further increased by $156,360,000;

"Ships and facilities", $383,005,000;

"Construction of ships", $335,330,000, to remain available until expended: *Provided,* That the limitations heretofore imposed under this head on the total of obligations to be incurred for construction, conversion, or replacement approved

during the fiscal years 1950 and 1951, are repealed: *Provided further*, That the total of obligations incurred for construction, conversion, or replacement, approved between July 17, 1947, and June 30, 1951, shall not exceed $1,064,271,000;

"Ordnance and facilities", $707,009,000;

"Ordnance for new construction", $42,394,000, to remain available until expended: *Provided*, That the limitations heretofore imposed under this head on the total of obligations to be incurred for armor, armament, and ammunition for construction, conversion, or replacement approved during the fiscal years 1950 and 1951 are repealed: *Provided further*, That the total of obligations incurred for armor, armament, and ammunition, for construction, conversion, or replacement, approved between July 17, 1947, and June 30, 1951, shall not exceed $356,123,000;

"Medical care", $27,705,000;

"Civil engineering", $78,701,000: *Provided*, That the limitations on purchase of passenger motor vehicles set forth under this head in the General Appropriation Act, 1951, and in Sec. 107 of the Supplemental Appropriation Act, 1951, are repealed;

"Public works (new)"(21), *including construction as authorized by law*, $303,378,000, to remain available until expended;

"Research", $32,085,000, to remain available until expended;

"Service-wide supply and finance", $31,436,000;

"Navy stock fund": For additional working capital for the Navy stock fund, established pursuant to the National Security Act Amendments of 1949, $100,000,000;

"Service-wide operations", $48,440,000; and the limitation under this head in the Defense Appropriation Act, 1951, as increased by the Supplemental Appropriation Act, 1951, on the amount available for emergencies and extraordinary expenses, is further increased by $13,445,000;

"Island governments", $625,000;

DEPARTMENT OF THE AIR FORCE

For additional amounts for appropriations under the Department of the Air Force as established or adjusted pursuant to section 403 (b) of the National Security Act of 1947, as amended, as follows:

AIRCRAFT AND RELATED PROCUREMENT

"Aircraft and related procurement", including construction, procurement, and modification of aircraft and equipment, armor and armament, spare parts and accessories therefor; electronic and communication equipment, detection and warning systems, and specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures,

and acquisition of land without regard to section 1136, Revised Statutes, as amended, for the foregoing purposes, and such land, and interests therein, may be acquired and construction prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; industrial mobilization, including maintenance of reserve plants and equipment and procurement planning; and other expenses necessary for the foregoing purposes, including rents, transportation of things and personal services in the field; to remain available until expended; $2,114,700,000: *Provided,* That the aircraft procurement program heretofore established for the fiscal year 1951 is further increased by $2,114,700,000;

MAJOR PROCUREMENT OTHER THAN AIRCRAFT

"Major procurement other than aircraft", including the procurement of supplies, materials, and equipment, and spare parts therefor, not otherwise provided for; electronic and communication equipment; and the purchase of passenger motor vehicles, $583,900,000, to remain available until expended: *Provided,* That the unexpended balances of funds appropriated to the Air Force for the foregoing purposes in the Defense Appropriation Act, 1951, and the Supplemental Appropriation Act, 1951, shall remain available until expended;

ACQUISITION AND CONSTRUCTION OF REAL PROPERTY

"Acquisition and construction of real property", including construction, installation, and equipment of temporary or permanent public works, military installations, and facilities for the Air Force, as authorized by the Act of March 30, 1949 (Public Law 30, Eighty-first Congress), the Act of October 27, 1949 (Public Law 415, Eighty-first Congress), as amended, the Act of May 11, 1949 (Public Law 60, Eighty-first Congress), and the Act of June 17, 1950 (Public Law 564, Eighty-first Congress), including construction authorized by law, without regard to sections 1136 and 3734, Revised Statutes, as amended, and the land, and interests therein, may be acquired and construction may be prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; expenses necessary for planning projects not otherwise authorized; and hire of passenger motor vehicles; $807,000,000, to remain available until expended;

MAINTENANCE AND OPERATIONS

"Maintenance and operations", including expenses necessary for the maintenance, operation, and administration of the activities of the Air Force, including the United States Air Force Reserve and the Air Reserve Officers' Training Corps; maintenance, operation, and modification

of aircraft; transportation of things; rents at the seat of government and elsewhere, and in administering the provisions of 43 U. S. C. 315q payments of rents may be made in advance; repair of facilities; field printing plants; hire of passenger motor vehicles; training and instruction of military and civilian personnel of the Air Force, including tuition and related expenses; pay, allowances and travel expenses of contract surgeons; utility services for buildings erected at private cost as authorized by law (10 U. S. C. 1346), and buildings on military reservations authorized by Air Force regulations to be used for welfare and recreational purposes; rental of land or purchase of options to rent land without reference to section 3648, Revised Statutes, as amended, use or repair of private property, and other necessary expenses of combat maneuvers; organizational clothing and equipage; payment of exchange fees and exchange losses incurred by Air Force disbursing officers or their agents; losses in the accounts of Air Force disbursing officers as authorized by law (31 U. S. C. 95a; 50 U. S. C. 1705–1707; Act of July 26, 1947, Public Law 248); burial of the dead as authorized by law (10 U. S. C. 916–916d; 5 U. S. C. 103a), including remains of personnel of the Air Force of the United States who die while on active duty, travel allowances of attendants accompanying remains, and acquisition by lease or otherwise of temporary burial sites;

conduct of schoolrooms, service clubs, chapels, and other instructional, entertainment, and welfare expenses for enlisted men, not otherwise provided for; expenses for inter-American cooperation as authorized for the Navy by the Act of August 2, 1946 (5 U. S. C. 421f), for Latin-American cooperation; payments of deficiency judgments and interests thereon arising out of condemnation proceedings heretofore instituted; and special services by contract or otherwise, $704,600,000;

MILITARY PERSONNEL REQUIREMENTS

"Military personnel requirements", including pay, allowances, clothing, subsistence, transportation, interest on deposits of enlisted personnel, payment of life insurance premiums, and travel in kind for cadets and all other personnel of the Air Force of the United States on active duty (other than personnel of the Reserve components, including the Air National Guard, on active duty while undergoing reserve training), including mileage, per diem allowances, reimbursement of actual expenses of travel, transportation of troops, commutation of quarters, subsistence supplies for issue as rations to enlisted personnel, cloth and materials and clothing for issue and sale, and clothing allowances, as authorized by law; and, in connection with personnel paid from this appropriation, for rental of camp sites and local procurement of utility services and other necessary expenses

incident to individual or troop movements (including packing and unpacking and transportation of organizational equipment), ice, meals for recruiting parties, monetary allowances for liquid coffee for troops when supplied cooked or travel rations, altering and fitting clothing, and commutation of rations, as authorized by law, to enlisted personnel, including those sick in hospitals (to be paid to the surgeon in charge); transportation, as authorized by law, of dependents, baggage, and household effects of personnel paid from this appropriation; transportation, or reimbursement therefor, of applicants for enlistment between places of acceptance for enlistment and recruiting stations, rejected applicants for enlistment, general prisoners, and discharged cadets; travel pay to discharged military personnel; transportation of persons discharged otherwise than honorably, prisoners upon each termination of confinement, and persons discharged from Saint Elizabeths Hospital after transfer thereto from the military service; commutation of quarters and rations to applicants for enlistment and general prisoners traveling under orders; rations for civilian employees when entitled thereto, applicants for enlistment, prisoners of war, and general prisoners; subsistence supplies for resale, as authorized by law; commutation of rations, as authorized by regulations, to applicants for enlistment, civilian employees entitled to subsistence at public expense, and general prisoners,

while sick in hospitals (to be paid to the surgeon in charge); subsistence of supernumeraries necessitated by emergent military circumstances; issues of toilet articles and barbers' and tailors' material to general prisoners confined at military posts without pay and allowances, applicants for enlistment, and recruits upon first enlistment; civilian clothing and when necessary an overcoat, the cost of all not to exceed $30, for each person upon each release from a military prison, each enlisted man discharged otherwise than honorably, each enlisted man convicted by a civil court for an offense resulting in confinement in a civil prison, and each enlisted man interned, or discharged without internment as an alien enemy; expenses of apprehension and delivery of deserters, stragglers, and escaped military prisoners; payment, in the discretion of the Secretary, of rewards (not to exceed $25 in any one case) for the apprehension of deserters; confinement of military prisoners in nonmilitary facilities; donations of not to exceed $25 to each civilian prisoner upon each release from a military prison, to each enlisted man discharged otherwise than honorably upon each release from confinement under court-martial sentence, and to each person discharged for fraudulent enlistment; expenses of courts, boards, and commissions; welfare; and medals and other awards; $264,700,000;

RESEARCH AND DEVELOPMENT

"Research and development", $115,000,000, to remain available until expended;

RESERVE PERSONNEL REQUIREMENTS

"Reserve personnel requirements", including pay, allowances, clothing, subsistence, and travel for personnel of the United States Air Force Reserve and the Air Reserve Officers' Training Corps, while on active duty undergoing reserve training or while performing drills or equivalent duty, or undergoing training and instruction; and the procurement and issue of uniforms to institutions necessary for the training of the Air Reserve Officers' Training Corps, as authorized by law; $1,000, to remain available until June 30, 1952: *Provided,* That the unexpended balances of funds appropriated for the foregoing purposes in the Defense Appropriation Act, 1951, shall remain available until June 30, 1952;

CONTINGENCIES

"Contingencies", $13,110,000.

GENERAL PROVISIONS

SEC. 701. Notwithstanding any other provision of law, no part of any appropriation for the Department of Defense contained in this Act shall remain available until expended unless so provided in the appropriation concerned.

SEC. 702. Section 619 of the Defense Appropriation Act, 1951, is amended by deleting the words: "(other than on permanent change of station)".

SEC. 703. Payments by members of the United Nations for equipment, materials or services furnished in joint military operations shall be credited to proper appropriations of the Department of Defense in the manner authorized by section 403 (b) of the Mutual Defense Assistance Act of 1949.

SEC. 704. The Secretary of Defense is authorized to employ not to exceed ten persons of outstanding experience and ability without compensation; and he is authorized to provide by regulation for the exemption of such persons from the operation of sections 281, 283, 284, 434, and 1914 of title 18 of the United States Code and section 190 of the Revised Statutes (5 U. S. C. 99). Persons appointed under the authority of this section may be allowed transportation and not to exceed $15 per diem in lieu of subsistence while away from their homes or regular places of business pursuant to such employment.

SEC. 705. Funds heretofore or hereafter appropriated under the appropriation title "Naval Petroleum Reserve Numbered 4, Alaska", Department of the Navy, shall be available for exploration and prospecting on Government-

owned lands adjacent to the Naval Petroleum Reserve Numbered 4.

SEC. 706. None of the firearms, pistols, revolvers, shells, and cartridges purchased with funds appropriated for the military departments by this or any other Act shall be subject to any tax imposed on the sale or transfer of such articles.

(22)*CHAPTER VIII*

DISTRICT OF COLUMBIA

(Out of revenues of the District of Columbia)

OFFICE OF CIVIL DEFENSE

For an additional amount, fiscal year 1951, for "Office of Civil Defense", $337,500; and appropriations granted under this head for the fiscal year 1951 shall be available for personal services without reference to the civil-service and classification laws.

(23)*CHAPTER IX*

FOREIGN AID

Whenever he determines that such action is essential, the President may from time to time utilize, for the effective carrying out of the purposes of the China Area Aid Act of 1950 (title II of Public Law 535, Eighty-first Congress), not to exceed in the aggregate 5 per centum of the funds made available for the fiscal year 1951 for the purposes of

the Economic Cooperation Act of 1948 (Public Law 472, Eightieth Congress), as amended.

CHAPTER (24)~~VIII~~ *X*

CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS

For payment of claims for damages as settled and determined by departments and agencies in accord with law, audited claims certified to be due by the General Accounting Office, and judgments rendered against the United States by United States district courts, the United States Court of Claims, and the Indian Claims Commission, as set forth in (25)*Senate Document Numbered 244, and* House Document Numbered 729, Eighty-first Congress, (26)~~$5,274,034~~ *$6,983,938,* together with such amounts as may be necessary to pay interest (as and when specified in such judgments or in certain of the settlements of the General Accounting Office or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided,* That no judgment herein appropriated for shall be paid until it shall have become final and conclusive against the United States by failure of the parties to appeal or otherwise: *Provided further,* That, unless otherwise specifically required by law or by the judgment, payment of interest wherever appro-

priated for herein shall not continue for more than thirty days after the date of approval of this Act.

CHAPTER (27)~~IX~~ *XI*

GENERAL PROVISIONS

SEC. (28)~~901~~ *1101.* No part of any appropriation contained in this Act, or of the funds available for expenditure by any corporation included in this Act, shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided,* That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further,* That any person who engages in a strike against the

Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation or fund contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: *Provided further,* That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further,* That, as applicable to the Department of the Interior, nothing in this section shall be construed to require an affidavit from any person employed for less than sixty days for sudden emergency work involving the loss of human life or destruction of property, and the payment of salary or wages may be made to such persons from applicable appropriations for services rendered in such emergency without execution of the affidavit contemplated by this section.

SEC. (29)~~902~~ *1102.* Appropriations and funds made available by this or any other Act for salaries, wages, or compensation, for the fiscal year 1951, shall also be available for

payment of any tax with respect thereto which is imposed on any department, agency, corporation, or other instrumentality of the United States, as an employer, by the provisions of the Social Security Act Amendments of 1950.

SEC. ~~(30)~~ ~~903~~ *1103*. This Act may be cited as the "Second Supplemental Appropriation Act, 1951".

Passed the House of Representatives December 15, 1950.

Attest: RALPH R. ROBERTS,
Clerk.

Passed the Senate with amendments December 21 (legislative day, November 27), 1950.

Attest: LESLIE L. BIFFLE,
Secretary.

81ST CONGRESS
2D SESSION

H. R. 9920

AN ACT

Making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 21, 1950

Ordered to be printed with the amendments of the Senate numbered

81st Congress } HOUSE OF REPRESENTATIVES { Report
2d Session } { No. 3240

SUPPLEMENTAL APPROPRIATION BILL, 1951

JANUARY 1, 1951.—Ordered to be printed

Mr. CANNON, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 9920]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 11, 13, 14, 18, 19, 20, 21, 24, 25, 26, 27, 28, 29 and 30, and agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$10,000,000*; and the Senate agree to the same.

Amendment numbered 9:

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$1,065,000,000*; and the Senate agree to the same.

Amendment numbered 10:

That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows:

In lieu of the matter stricken out and inserted by said amendment insert the following: *five hundred*; and the Senate agree to the same.

Amendment numbered 16:

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$66,500,000*; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 4, 5, 6, 8, 12, 15, 17, 22 and 23.

CLARENCE CANNON,
GEORGE MAHON,
MICHAEL J. KIRWAN,
JOHN TABER,
R. B. WIGGLESWORTH,
Managers on the Part of the House.

KENNETH MCKELLAR,
CARL HAYDEN,
ELMER THOMAS,
RICHARD B. RUSSELL,
PAT MCCARRAN,
JOSEPH C. O'MAHONEY,
STYLES BRIDGES,
CHAN GURNEY,
KENNETH S. WHERRY,
GUY CORDON,
Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

CHAPTER I

Legislative Branch

HOUSE OF REPRESENTATIVES

Amendment No. 1.—*Payment of sums due deceased Congressional personnel:* Reported in disagreement.

ARCHITECT OF THE CAPITOL

CAPITOL BUILDINGS AND GROUNDS

Amendments Nos. 2 and 3.—*Capitol Building:* Appropriates $21,500 as proposed by the Senate.

Amendment No. 4.—*Senate Restaurants:* Reported in disagreement.

CHAPTER II

Department of Commerce

Amendment No. 5.—*Bureau of Public Roads, Access Roads:* Reported in disagreement.

Amendment No. 6.—*Maritime Activities, Ship Construction:* Reported in disagreement.

CHAPTER IV

Federal Security Agency

Amendment No. 7—*Public Health Service, Grants for hospital construction:* Appropriates $10,000,000 instead of $75,000,000 as proposed by the Senate.

CHAPTER V

Department of the Interior

Amendment No. 8—*Southeastern Power Administration, Construction:* Reported in disagreement.

CHAPTER VI

Independent Offices

Amendment No. 9—*Atomic Energy Commission:* Appropriates $1,065,000,000 instead of $840,000,000 as proposed by the House and $1,080,000,000 as proposed by the Senate.

Amendment No. 10—*Atomic Energy Commission:* Provides for purehase of not to exeeed five hundred passenger motor vehieles instead of two hundred and fifty as proposed by the House and five hundred and fifty as proposed by the Senate.

Amendment No. 11—*General Services Administration, Strategic and critical materials:* House recedes.

Amendment No. 12—*National Advisory Committee for Aeronautics: Salaries and expenses:* Reported in disagreement.

Amendments Nos. 13 and 14—*Selective Service System, Salaries and xpenses:* Appropriates $11,000,000 as proposed by the Senate instead of $10,787,890 as proposed by the House and inserts language as proposed by the Senate.

Amendment No. 15—*Selective Service System, Salaries and expenses:* Reported in disagreement.

Amendment No. 16—*Tennessee Valley Authority:* Appropriates $66,500,000 instead of $64,500,000 as proposed by the House and $67,000,000 as proposed by the Senate.

Amendment No. 17—*Tennessee Valley Authority:* Reported in disagreement.

CHAPTER VII

Department of Defense

Amendment No. 18—*Department of the Army, Corps of Engineers:* Inserts language proposed by the Senate.

Amendment No. 19—*Department of the Army, Civilian Relief in Korea:* Appropriates $50,000,000 as proposed by the Senate instead of $100,000,000 as proposed by the House.

Amendment No. 20—*Department of the Army, Civilian Relief in Korea:* Inserts language proposed by the Senate.

Amendment No. 21—*Department of the Navy, Public Works:* Inserts language proposed by the Senate.

CHAPTER VIII

District of Columbia

Amendment No. 22—*Office of Civil Defense:* Reported in disagreement.

CHAPTER IX

Foreign Aid

Amendment No. 23—*Foreign Aid:* Reported in disagreement.

CHAPTER X

Claims for Damages, Audited Claims, and Judgments

Amendment No. 24: Changes a chapter number as proposed by the Senate.

Amendment No. 25: Inserts language proposed by Senate.

Amendment No. 26: Appropriates $6,983,938 as proposed by the Senate instead of $5,274,034 as proposed by the House.

CHAPTER XI

General Provisions

Amendment No. 27: Changes a chapter number as proposed by the Senate.

Amendments Nos. 28, 29, and 30: Change section numbers as proposed by the Senate.

Clarence Cannon,
George Mahon,
Michael J. Kirwan,
John Taber,
R. B. Wigglesworth,
Managers on the Part of the House.

also awarded an Air Medal with 10 Oak Leaf Clusters for meritorious achievement in sustained flights against the enemy during this campaign.

In addition to the Distinguished Service Cross with Oak Leaf Cluster and the Silver Star with two Oak Leaf Clusters, General Walker holds the following awards and decorations: The Distinguished Service Medal, Legion of Merit, Bronze Star, Air Medal with 10 Oak Leaf Clusters, Legion d'Honneur—Officer Class—French, Croix de Guerre with Palm and Bronze Star—French, Medal of Metz—French, Medal of Verdun—French, Mexican Interior—World War I, Victory Medal with five Stars—World War I, Army of Occupation—World War I, American Defense, American Theater, European Theater of Operations with six Stars, Order of the War for the Fatherland First Class—Russian, Medal of Russian Guards Army, Grand Ducal Order of the Oak Leaf of the Crown—Luxemburg, Croix de Guerre—Luxemburg.

General Walker is an honorary citizen of the following cities of France and Luxemburg, all of which were liberated by the Twentieth Corps: Metz, Thionville, Chartres, Verdun, St. Symphorium, City of Luxemburg, Luxemburg.

(Mr. VINSON asked and was given permission to revise and extend his remarks.)

The SPEAKER. The question is on the passage of the resolution.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

(Mr. RANKIN asked and was given permission to revise and extend his remarks.)

SUPPLEMENTAL APPROPRIATION ACT, 1951

Mr. CANNON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, with Senate amendments, disagree to the amendments of the Senate and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

Mr. FOGARTY. Mr. Speaker, reserving the right to object, the Senate has included $75,000,000 additional for hospital construction. I am a little confused at this time as to the parliamentary procedure and am wondering if there is any way we can get a record vote in the House on this $75,000,000 that the Senate has added for hospital construction?

Mr. CANNON. Mr. Speaker, in response to the inquiry of the gentleman from Rhode Island, the item is in disagreement between the two Houses. If the conferees are unable to agree we will bring the amendment back for action by the House.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to my distinguished friend from Pennsylvania, whose voluntary departure from the House is a matter of general regret.

Mr. RICH. Is there anything in this legislation for the arming of the North Atlantic Pact countries?

Mr. CANNON. There is no provision to that effect in the bill.

Mr. RICH. No moneys whatever?

Mr. CANNON. There is no money for that purpose in the bill.

Mr. RICH. I think the Congress should be very careful in what they do by way of spending for the arming of foreign countries; I think that is one thing that ought to be considered very, very carefully by the membership of the House before it is too late.

Mr. CANNON. I thoroughly agree with the gentleman that the Congress should be very careful about all spending at this critical time.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [After a pause.] The Chair hears none and appoints the following conferees: Messrs. CANNON, MAHON, KIRWAN, TABER, and WIGGLESWORTH.

EXCESS PROFITS TAX ACT OF 1950

Mr. DOUGHTON. Mr. Speaker, I call up the conference report on the bill (H. R. 9827) to provide revenue by imposing a corporate excess profits tax, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 22, 1950.)

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to. A motion to reconsider was laid on the table.

(Mr. DOUGHTON, Mr. REED of New York, Mr. MARTIN of Iowa, and Mr. ALLEN of California asked and were given permission to extend their remarks at this point in the RECORD in explanation of the bill.)

CONFERENCE REPORT ON H. R. 9827, THE EXCESS PROFITS TAX ACT OF 1950

Mr. DOUGHTON. Mr. Speaker, the conference report on H. R. 9827, the Excess Profits Tax Act of 1950, was agreed to unanimously by the seven House conferees and the five Senate conferees. The conference report retains all the important provisions of the bill which passed the House of Representatives on December 5, by a vote of 378 to 20. A number of amendments were added in the Senate. Some of these made technical changes and others were designed to avoid hardship in the application of the excess-profits tax to particular industries, or to small new expanding corporations. Most of the Senate amendments were acceptable to the House conferees, but a few were not.

The principal differences between the conference report and the bill as passed by the House of Representatives are as follows:

A. Rate of tax and over-all ceiling: The rate of tax would be 77 percent of adjusted excess-profits net income. This includes an increase of 2 percent in the rate of surtax on corporations effective in the case of calendar-year corporations beginning with the 1951 taxable year. The excess-profits tax would be applicable, in effect, retroactive to July 1, 1950. The over-all rate limitation on income and excess-profits taxes would be 62 percent instead of the 67 percent provided under the House bill and the 60 percent provided under Senate amendment.

B. Termination date: As passed by the House, the bill provided for an excess-profits tax for an indefinite period. A Senate amendment provided that the excess-profits tax should terminate as of December 31, 1952. The conferees agreed to terminate the tax with respect to taxable years beginning after June 30, 1953. The provision for a termination date really is not very important in view of the fact that our entire tax structure will be under constant review as we endeavor to meet the financial requirements of the preparedness program.

C. Borrowed capital: As under the House bill, the conference agreement retains the same election available under the World War II excess-profits tax of computing the excess-profits-tax credit on either the average earnings or invested-capital method, whichever is most favorable to the taxpayer. Under the House bill, taxpayers using the invested-capital credit generally were allowed a lower rate of return on borrowed capital than on equity capital. A Senate amendment allowed the same rate of return for borrowed capital as for equity capital by inclusion of 100 percent of borrowed funds as invested capital. Under the conference agreement, the House policy prevailed, since only 75 percent of borrowed capital would be taken into account, while one-fourth of the interest on borrowed funds would be allowed as a deduction in computing excess-profits net income for the taxable year.

D. Changes in the growth formula: The Committee on Ways and Means recognized that, in the case of small, growing corporations, the 1946–49 experience might not provide an adequate average earnings credit. Under the House bill, therefore, corporations with total assets of not more than $20,000,000 at the beginning of the base period and with a higher volume of business in 1948 and 1949 than in 1946 and 1947 would be permitted to use an alternative credit consisting of either 1949 earnings or the average of 1948 and 1949 earnings. As modified in conference, in accord with the original purpose of the House bill, a corporation with assets in excess of $20,000,000 may qualify for relief under the growth formula if it has a record of rapid growth in the base period attributable to the sale of a new product. Under the conference agreement, "growth" corporations may also elect to take into account, in computing average base period net income, earnings during the first 6 months of 1950.

E. Increase in capacity during the base period: The House bill provided for ap-

propriate adjustment in the average earnings credit based on net income in the base period in the case of abnormalities which adversely affected the income of a corporation during the base period and a change in product or services during the base period which increased the potential earnings of a taxpayer. A Senate amendment carries out the purpose of the House bill by granting similar relief in the case of a taxpayer which made substantial changes in capacity to increase its output during the last 36 months of the base period.

F. Regulated public utilities: As passed by the House, the bill provided an alternative credit for regulated public utilities consisting of a minimum fixed return after corporate normal tax and surtax. Under the conference agreement, this alternative credit would be available to certain bus lines, truck lines, ship lines, and sewerage disposal companies, and the alternative credit was liberalized in certain respects.

G. Distressed industries: As agreed to in conference, the bill provides relief for depressed industries if the average rate of return on total assets of the industry in 1946 through 1948 were substantially below the rate of return for the period 1938 through 1948.

H. Other Senate amendments:

(a) The House receded on Senate amendment No. 17. This amendment does not change the treatment provided in the House bill in cases where gains exceed losses in the case of sales of section 117 (j) assets, including gains and losses upon the cutting of timber under section 117 (k). In such a case, under both the House and the Senate bills, where such gains exceed losses, the gain is not subject to the excess-profits tax.

(b) Though sympathetic with the principle of the Senate amendment relating to the amortization allowance for defense facilities, the House conferees could not accept the amendment because of the limited time available to explore the problem. The House conferees also had in mind that administration of the amortization section is in its early stages and that the officials in charge should be given an opportunity to conform their policy to the intent of the Congress to encourage the investment of private capital in war plants.

If the problem is not solved administratively at an early date, I personally, will ask the Ways and Means Committee to review the situation and to initiate appropriate remedial legislation. Any such legislation should apply retroactively, so that applicants who begin construction on the basis of certificates of necessity currently being issued will not be prejudiced.

I. Revenue yield: According to the estimates of the staff of the Joint Committee on Internal Revenue Taxation, the bill as agreed to in conference, at current levels of corporate profits, will yield about $3,300,000,000, and if the upward trend in corporate profits continues the bill will yield between $4,000,000,000 and $5,000,000,000 next year.

Mr. Speaker, as I have indicated, the conference report retains all of the essential provisions of the House bill. In my opinion, most of the Senate amendments agreed to in conference have improved the measure by providing greater protection against possible hardship. I believe that the bill now before the House fully complies with the mandate given to the Committee on Ways and Means to prepare as early as possible in the Eighty-first Congress an excess-profits tax bill, and I am grateful to everyone who has cooperated in making possible the completion of our assignment in the limited time available.

Mr. Speaker, I urge the adoption of the conference report.

Mr. REED of New York. Mr. Speaker, as it passed the House on December 5, 1950, H. R. 9827, the Excess Profits Tax Act of 1950 was probably the most hysterical piece of tax legislation ever to come before the Congress. It was a manifestation of what can, and does, happen when political emotionalism is substituted for judgment and reason and when haste becomes the measure of achievement. But it is to the everlasting credit of our legislative process that even under such a severe handicap the final product represented by the conference report is at least a wholehearted effort to enact a fair and equitable excess profits tax. Of course, any tax which attempts to define normal profits for all corporations is at best a clumsy and inherently inequitable sort of tax, and no amount of relief provisions can ever be made to prevent discrimination between corporate taxpayers. Considering, however, the pressure under which this legislation was framed it is at least a brave effort to achieve the desired objective of taxing the profits arising from our defense program and at the same time not erecting a tax barrier around the expansion of our industrial economy.

The fact that a vast improvement over the bill as it passed the House has been made is due primarily to the energetic fight which the Republican minority made. When the bill was being hurriedly considered by the House we Republicans pointed out many of the serious defects which it contained and urged, both in the minority views and during the debate, that certain changes be made. I am now happy to report to you that the conference report contains most of the Republican recommendations for improvements and that the basic concept of a minimum floor through an increased corporate rate and a maximum ceiling which I proposed is also contained in the conference report. Had the Democratic members of the Ways and Means Committee not peremptorily ruled my proposal out of order early in the public hearings, it would have greatly expedited the passage of this legislation and made it unnecessary for the House to have to consider the conference report at this late stage of the Eighty-first Congress.

It will be recalled that the Republican motion to recommit H. R. 9827 with instructions to report it back forthwith to the House consisted of only two simple amendments. The first amendment would have provided for an increase in the corporate surtax rate. This amendment is now provided for in the conference report in the form of a 2-percentage-point increase in the corporate income-tax rate with respect to taxable years beginning on and after July 1, 1950. At the levels of corporate profits existing in 1950 this 2-percentage-point increase in the corporate surtax rate will yield approximately $600,000,000 annually. Since no increase is made in the normal tax rate the total tax rate on income of $25,000 or less will remain at 25 percent, which is the present rate under existing law for 1951. The second part of the Republican motion to recommit was the elimination of the 15-percent cutback in the average earnings credit. Although the effect of this amendment was not as simply achieved as under the Republican proposal, substantially the same result has been reached in many cases as the result of the liberalized relief provisions. Among these are the 62-percent ceiling, the more adequate growth formula, the election to use either the historical capital approach or the so-called asset approach provided in the House bill, the addition of the equivalent to section 722 (b) (4) of the World War II law for corporations which made substantial changes in its capacity during the base period, the depressed industries relief provision, the use of borrowed capital in computing the invested capital credit and other provisions.

In calling the attention of the House to the fact that the conference report is a vindication and tribute to the fight by the Republican minority to improve H. R. 9827 as it was reported by the Ways and Means Committee, I do not by any stretch of the imagination intend to infer that the provisions of the conference report are entirely satisfactory. But it can now at least, be said that the Congress has assumed its responsibility for writing tax legislation and has not delegated this right and duty to others.

The House bill provided that the excess-profits tax could not be greater than an amount which when added to the normal and surtax equaled 67 percent of the corporation's surtax net income. The Senate amendment reduced the 67 percent to 60 percent and changed the application of the ceiling so that the amount of the tax could not exceed an amount equal to the excess of 60 percent of the excess-profits net income for the taxable year over the normal tax and surtaxes which would have been imposed for the taxable year if the tax base applicable to the normal tax and surtax were the amount of the excess-profits net income. The House conferees adopted the Senate amendment but substituted 62 percent for the 60 percent. I personally felt that the ceiling should have remained at 60 percent and that a lower ceiling should be provided for small corporations but the 62-percent ceiling is a compromise. Under the World War II tax the ceiling limited the combined rate of the corporate income tax and excess-profits tax to slightly more than 72 percent after the allowance for the postwar credit.

Among the worst defects of the House bill was the inadequate growth formula which was intended as a substitute for

ago. Information as to how tickets may be obtained can be gotten from my office.

PERMISSION TO ADDRESS THE HOUSE

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PRESIDENT TRUMAN

Mr. SHAFER. Mr. Speaker, I dislike very much to let this 1st day of January go by without recalling two very significant events in American history. In April 1945 President Truman called upon the people of the country to pray for him. In December 1950, just before Christmas, he called upon them to pray for the country.

PERMISSION TO ADDRESS THE HOUSE

Mr. HUGH D. SCOTT, JR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania

There was no objection.

THE LATE C. FREDERICK PRACHT

Mr. HUGH D. SCOTT, JR. Mr. Speaker, it is my sad duty to call to the attention of the House the recent passing of a former Member of this body from Philadelphia, the Honorable C. Frederick Pracht, who in the Seventy-eighth Congress represented the Fifth Congressional District, which adjoins mine. Those of us who served with Fred Pracht will remember him with affection and with deep regard. It was my pleasure and my privilege to be associated with him on terms of great friendliness over a period of many years before he came to Congress and afterward.

Fred was a man of notable amiability, tact, good humor, and kindliness. He had many of the qualities which make friendship come so easy as between men. Unlike so many Members of Congress who have grown to like every minute of their stay here, I think it ought to be noted in passing that Fred was fundamentally a family man and devoted to his family and his immediate coterie in Philadelphia, and he did, I think, at times rejoice in the opportunities to go home. Now he has gone home to join those others of his loved ones who wait for him in the land beyond dreams, in the place prepared for him by the Most High.

PERMISSION TO ADDRESS THE HOUSE

Mr. CANFIELD. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

THE LATE HONORABLE AMOS HENRY RADCLIFFE

Mr. CANFIELD. Mr. Speaker, I have the sorrowful duty of announcing to the House the death last Friday of a distinguished former Member of this body from my congressional district, the Honorable Amos Henry Radcliffe, who would have been 81 years of age on January 16, next. He lived in Paterson, N. J., and his service in the House was in the Sixty-sixth and Sixty-seventh Congresses, March 4, 1919–March 3, 1923. There are now nine Members still serving in the House who were colleagues of Mr. Radcliffe.

Altogether, Mr. Radcliffe served 18 years in public life. For 5 years he was a Passaic County assemblyman in the New Jersey State Legislature, 1907–12. Then from 1912 to 1915 he was sheriff of Passaic County. In 1916 he was elected mayor of Paterson, serving two 2-year terms. He was a life-long Republican and was a delegate to State and National conventions of his party.

Mr. Radcliffe attended the public schools of Paterson, was graduated from the Paterson High School and from the New York Trade School. He became a blacksmith and ornamental and structural ironworker for his father, the late James Radcliffe. He joined his father's firm in 1896 and was made secretary when the business was incorporated in 1907.

In addition to becoming a director of the Franklin Trust Co. in 1916, Mr. Radcliffe was also a director of the United States Trust Co., the Paterson Savings Institution—now the Paterson Savings & Trust Co.—and the Clifton Trust Co. He was also president of the Frankham Realty Corp. and of the Ben Lynn Corp.

In 1888 Mr. Radcliffe joined the Second Regiment, National Guard, and was honorably discharged as a sergeant in 1894.

Fraternally, Mr. Radcliffe was a past master and life member of the Benevolent Lodge 45, Free and Accepted Masons; a member of Cataract City Chapter, Royal Arch Masons; Terry Council of New Jersey; Melita Commandary, Knights Templar of New Jersey; a life member, Mecca Temple, Ancient Arabic Order, Nobles of the Mystic Shrine of New York City; a member of the Paterson Lodge, BPO Elks; Paterson Lodge, Loyal Order of Moose; William Parker Council, Junior Order, United American Mechanics; Pioneer Camp, Modern Woodmen of the World; Silk City Lodge, Order of Heptasophs; and National Association of Engineers 2 of New Jersey. He was also a member of the Hamilton and Masonic Clubs, and the Phelps Outing Club of Greenwood Lake.

He was married to Ruth Hartley in 1897. Before her death a few years ago she was an active member of the Paterson Park Board.

He is survived by three children, James S. Radcliffe, of Lafayette, N. J.; Hartley E. Radcliffe, of Sparta, N. J.; and Mrs. Emma R. Wright, of Baleville, N. J.; also four grandchildren, Susan, Frances, and Jim Radcliffe; and George F. Wright.

Editorially eulogizing Mr. Radcliffe, the Paterson Morning Call last Saturday pointed to his administration as Paterson's mayor and said:

> It ran as smoothly as any within the writer's recollection. He insisted only on being consulted on political appointments and the men he named to the various boards were honorable and given a free hand. None violated the trust he reposed in him.

The Call also recalled that soon after he was first elected mayor Mr. Radcliffe called upon a severe critic to become a member of the city's board of public works and when the latter declined he permitted him to suggest another competent man for the appointment.

> It was a natural thing for Amos Radcliffe to gravitate toward politics because he liked people, was an excellent mixer, and made friends easily—

Editorialized the Paterson Evening News last Saturday. The News went on to say that—

> Mr. Radcliffe leaves an honored name with many pleasant memories.

According to the Passaic Herald-News, in its editorial eulogy, Mr. Radcliffe was "like other American ironmasters whose grandsires learned their trade at English forges." The Herald-News continued:

> He had rugged health, a buoyant step, and undiminished energy for almost all of his 80 years, and like Longfellow's blacksmith he looked the whole world in the face for he owed not any man.

While it had been impossible for Mr. Radcliffe to visit Washington in recent years due to failing health, I made it a point to call upon him shortly before the convening of each session of Congress. I admired him for his intense patriotism, his ready wit, and his down-to-earth expressions. He was terribly concerned about the state of our country because of its spending policies. He feared that any destruction of our American way of life would come chiefly from within. Occasionally, he sent me a brief message of reassurance and cheer as I sought to act wisely on the problems facing the Congress.

Amos Radcliffe spoke often of some of his old friends in the Congress, particularly EARL MICHENER, whom he was wont to describe as his ideal of a true Congressman. He was extremely sorry to learn some few months before his passing that Mr. MICHENER had decided to retire this year.

My predecessor also never forgot two of the faithful employees of the House who were very kind to him during his service, Republican clerks James P. Griffin and John McCabe, both of whom corresponded with him and visited him at his Paterson home.

Mr. Radcliffe always insisted that our Nation's strength rested in the type of man that Ralph Waldo Emerson described in his poem, A Nation's Strength.

In closing, I quote a few lines therefrom:

What builds the nation's pillars high
And its foundations strong?
What makes it mighty to defy
The foes that round it throng?
Not gold but only men can make
A people great and strong;
Men who, for truth and honor's sake,
Stand fast and suffer long.
Brave men who work while others sleep—
Who dare while others fly—
They build a nation's pillars deep
And lift them to the sky.

(Mr. CANFIELD asked and was given permission to revise and extend his remarks.)

SUPPLEMENTAL APPROPRIATION BILL, 1951

Mr. CANNON, from the Committee on Appropriations, submitted the following conference report and statement on the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes:

CONFERENCE REPORT (H. REPT No. 3240)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 11, 13, 14, 18, 19, 20, 21, 24, 25, 26, 27, 28, 29 and 30, and agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7 and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$10,000,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,065,000,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: "five hundred"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$66,500,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 4, 5, 6, 8, 12, 15, 17, 22 and 23.

CLARENCE CANNON,
GEORGE MAHON,
MICHAEL J. KIRWAN,
JOHN TABER,
R. B. WIGGLESWORTH,
Managers on the Part of the House.

KENNETH MCKELLAR,
CARL HAYDEN,
ELMER THOMAS,
RICHARD B. RUSSELL,
PAT MCCARRAN,
JOSEPH C. O'MAHONEY,
STYLES BRIDGES,
CHAN GURNEY,
KENNETH S. WHERRY,
GUY CORDON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

CHAPTER I

LEGISLATIVE BRANCH

House of Representatives

Amendment No. 1—Payment of sums due deceased Congressional personnel: Reported in disagreement.

ARCHITECT OF THE CAPITOL

Capitol buildings and grounds

Amendments Nos. 2 and 3—Capitol Building: Appropriates $21,500 as proposed by the Senate.

Amendment No. 4—Senate Restaurants: Reported in disagreement.

CHAPTER II

DEPARTMENT OF COMMERCE

Amendment No. 5—Bureau of Public Roads, Access Roads: Reported in disagreement.

Amendment No. 6—Maritime Activities, Ship Construction: Reported in disagreement.

CHAPTER IV

FEDERAL SECURITY AGENCY

Amendment No. 7—Public Health Service, Grants for hospital construction: Appropriates $10,000,000 instead of $75,000,000 as proposed by the Senate.

CHAPTER V

DEPARTMENT OF THE INTERIOR

Amendment No. 8—Southeastern Power Administration, Construction: Reported in disagreement.

CHAPTER VI

INDEPENDENT OFFICES

Amendment No. 9—Atomic Energy Commission: Appropriates $1,065,000,000 instead of $840,000,000 as proposed by the House and $1,080,000,000 as proposed by the Senate.

Amendment No. 10—Atomic Energy Commission: Provides for purchase of not to exceed five hundred passenger motor vehicles instead of two hundred and fifty as proposed by the House and five hundred and fifty as proposed by the Senate.

Amendment No. 11—General Services Administration, Strategic and critical materials: House recedes.

Amendment No. 12—National Advisory Committee for Aeronautics: Salaries and expenses: Reported in disagreement.

Amendments Nos. 13 and 14—Selective Service System, Salaries and expenses: Appropriates $11,000,000 as proposed by the Senate instead of $10,787,890 as proposed by the House and inserts language as proposed by the Senate.

Amendment No. 15—Selective Service System, Salaries and expenses: Reported in disagreement.

Amendment No. 16—Tennessee Valley Authority: Appropriates $66,500,000 instead of $64,500,000 as proposed by the House and $67,000,000 as proposed by the Senate.

Amendment No. 17—Tennessee Valley Authority: Reported in disagreement.

CHAPTER VII

DEPARTMENT OF DEFENSE

Amendment No. 18—Department of the Army, Corps of Engineers: Inserts language proposed by the Senate.

Amendment No. 19—Department of the Army, Civilian Relief in Korea: Appropriates $50,000,000 as proposed by the Senate instead of $100,000,000 as proposed by the House.

Amendment No. 20—Department of the Army, Civilian Relief in Korea: Inserts language proposed by the Senate.

Amendment No. 21—Department of the Navy, Public Works: Inserts language proposed by the Senate.

CHAPTER VIII

DISTRICT OF COLUMBIA

Amendment No. 22—Office of Civil Defense: Reported in disagreement.

CHAPTER IX

FOREIGN AID

Amendment No. 23—Foreign Aid: Reported in disagreement.

CHAPTER X

CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS

Amendment No. 24: Changes a chapter number as proposed by the Senate.

Amendment No. 25: Inserts language proposed by Senate.

Amendment No. 26: Appropriates $6,983,938 as proposed by the Senate instead of $5,274,034 as proposed by the House.

CHAPTER XI

GENERAL PROVISIONS

Amendment No. 27: Changes a chapter number as proposed by the Senate.

Amendments Nos. 28, 29, and 30: Change section numbers as proposed by the Senate.

CLARENCE CANNON,
GEORGE MAHON,
MICHAEL J. KIRWAN,
JOHN TABER,
R. B. WIGGLESWORTH,
Managers on the Part of the House.

Mr. CANNON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill H. R. 9920.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the statement may be read in lieu of the report.

Mr. TABER. Mr. Speaker, I think we had better have the conference report read. I object.

The SPEAKER. Objection is heard. The Clerk will read the report.

The Clerk read the conference report as above set out.

Mr. CANNON. Mr. Speaker, this report includes all items in the supplemental appropriation bill with the exception of the Senate amendment proposing to provide contract authority for additional cargo ships and the amendment striking out the transmission line from Buggs Island Dam to Langley Field, and two of three technical amendments, which it is necessary to bring back in disagreement, in order to comply with the rules.

The bill, as originally passed by the House, carried appropriations totaling $17,809,304,424. The Senate added $2,163,000,000, bringing the bill up to $20,247,062,938, of which $224,000,000 is contractual authority. The bill, as recommended by the conference committee, aggregates $19,941,412,938.

Mr. Speaker, the bill is essentially a defense measure, and for that reason we have included every dollar requested by the Joint Chiefs of Staff, the Secretary of Defense, and the Bureau of the Budget. Wherever there has been any question the doubt has been resolved in favor of the budget estimate.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman has told me, but there are other Members who would like to know because of the interest in the hospital construction appropriation. Will the gentleman state what happened with reference to that?

Mr. CANNON. We reached an agreement in conference on the hospital item, and added $10,000,000 above the budget estimate for that purpose. The item is included in the conference report.

I now yield 10 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, this bill, as it comes from the conference, calls for nearly $20,000,000,000. Probably with reappropriations and funds made available, very nearly $21,000,000,000.

The greatest part of it is for the war effort. I just want to say that the people of the United States are going to be called upon for tremendous sacrifices in connection with that war effort.

I want to warn the Defense Establishment that in connection with the war effort they must just as far as it is humanly possible guard against unnecessary waste and extravagance in purchasing and building the things that are required, and that they must get the best prices possible for everything for which they are provided funds. We remember too well the numbers of occasions where someone like the gentleman from Michigan [Mr. ENGEL], who was on the military subcommittee for years, found enormous waste in the construction of camps. A better job than that must be done. We must not have the purchase of things for the stockpile to such an extent that prices are built up to the point where the war effort is handicapped. We must not have the purchase of things that will spoil in a short time. We must have a more intelligent approach to all of these things than we had before, and I hope that the Defense Department and all those connected with it will take heed of what I have said here today, because I am sure that the Congress intends to follow it up to the limit.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. BROWN of Ohio. I have asked the gentleman to yield to tell us whether or not the bill does not carry provision for more civilian employees for the Defense Department than we had in proportion to the number of men in the armed services during World War II.

Mr. TABER. I do not know that I can answer that question, but it does call for a very large number of civilian employees. On the other hand, of the number of employees that are to be used probably 85 percent are in arsenals, navy yards, and such places rather than in clerical work.

Mr. BROWN of Ohio. If the gentleman will yield further, Mr. Speaker, the House has a special committee which has been making an examination or investigation of overstaffing in various Government departments and a report, I understand will be submitted which will show that there has been great overstaffing and waste of manpower in civilian employment within the Government. I am wondering what steps, if any, the Committee on Appropriations are taking to make certain that there will not be such overstaffing of civilian employees in connection with the war emergency.

Mr. TABER. I would not say that the committee has taken any action as yet. I understand, however, that it is the intention of the committee to follow these appropriations through and to try and see that there is just as little waste as possible and just as little unnecessary employment as possible.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. CANFIELD. Would the gentleman also include a warning against the ten percenters and the five percenters who, it is reported, are resuming operations again?

Mr. TABER. Yes; and the guys who go out and get small manufacturers out in the country to give them $500 or $600 and do nothing for them. That is a terrible fraud, and it is going on right now. I ran into several cases of it while I was home last week.

Mr. CANFIELD. I had a similar experience.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Pennsylvania.

Mr. RICH. I am glad the gentleman from New York made the statement that we are going to watch the armed services in reference to the letting of contracts. I can cite instances I know of, for instance, wool, which a year ago was worth $1.05 a pound. Today wool is worth $2.50 on the market. The Government is going in now and stockpiling at the highest price of wool I have ever known. Furthermore, the specifications covering various items for the Army are so complicated that it is made very difficult for the people of this country to get wool. If the Army takes it all and if they do not make some agreement with Great Britain, who now controls the wool market of the world, we will be in a bad fix. Great Britain is pulling the wool over the eyes of the American people because they control it and the State Department will not do anything to help get this wool from Great Britain. I asked Mr. Howard 3 months ago why he had not stockpiled more and he said that he had gone to the State Department to get permission to stockpile and he was prohibited from doing so. That is when wool was worth $1.25 a pound. Now they want $2.50 for the same item.

Mr. TABER. I think there is a great deal to what the gentleman has said. But we have a terrible situation that the State Department has brought on to us through these reciprocal trade agreements by which they have practically killed off the American sheep producer, put them out of business, and as a result we have not any defense against gouging on the part of the nations outside who own the outside wool.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. EDWIN ARTHUR HALL. It is my understanding that there are some who, anticipating this hugh expenditure for defense, are going beyond the 5 percent and the 10 percent classification. They are going back to the small-business men and small concerns representing themselves as supersalesmen able to go into these various departments and get huge defense orders. They are setting themselves up in lush offices here in Washington so that these businessmen have to carry the load and are trying to get big defense orders for them beyond the 5-percent classification.

Mr. TABER. Does not the gentleman think they are trying to get the money out of these poor suckers to a greater extent than they are trying to get contracts?

Mr. EDWIN ARTHUR HALL. I think the gentleman is quite right.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Speaker, I think it appropriate at this time to point out that the other body made no material changes in the military portions of the appropriation bill now before us. As Members are aware, those of us who are conferees on this bill have been required to be away from the House sessions for much of the afternoon in order to work out with the Senate conferees the final language of the bill now before us in the form of this conference report. The bill is, of course, vital to our defense effort.

However, there was one rather considerable change in the military part of the bill. The House version of the bill provided $100,000,000 for use in connection with civilian relief behind our lines in Korea to support our Army effort. In view of the fact that the portion of Korea which we now have under our control is much smaller than formerly, this item was cut in half by the Senate. The House went along with that figure. The $50,000,000 would seem to be entirely adequate. Otherwise, there is no change whatever of consequence in the military portion of the bill.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Pennsylvania.

Mr. RICH. Is there anything in this bill for the rearming of the North Atlantic Pact nations?

Mr. MAHON. There is nothing in this bill for the rearming of the North Atlantic Pact nations. In this connection it might be pointed out that funds previously appropriated to assist in the rearming of these nations would not necessarily be used for rearming those countries in the event they should be overrun. The airplanes, the tanks and the guns produced for those countries would become immediately available to this Government in the event they were not used by our allies.

Mr. RICH. How are you going to have them available for this Government if you ship them over there and if they are

overrun and if some of those governments do not care whether they are overrun or not and are not going to fight very much? If they take possession of those implements of war and use them against us, what are you going to do then?

Mr. MAHON. This Congress has appropriated this year $5,200,000,000 for assistance to other free nations in building up their military establishments. Much of that money has been obligated, but most of it has not been spent. Most of those weapons have not been delivered, and until they are delivered, they will be available to this country. And, furthermore, it is our hope that other free nations will not be overrun.

Mr. RICH. Are you going to see that this money is appropriated and given only to those nations who really want it, who really want to protect themselves, who really want to defend themselves in case of aggression rather than to have us go over there and say, "Now, in case something happens, we want you to be on our side, and we want you to do the fighting?" If they are not willing to go in there and defend themselves, then you ought not to send them one cent's worth of military supplies.

Mr. MAHON. The gentleman from Texas feels as does the gentleman from Pennsylvania that no funds should be appropriated to rearm countries that are not willing to fight for their own liberties and support the efforts of the United States to promote peace.

Mr. RICH. You have done it before. You armed Russia to the tune of $12,500,000,000 and you armed China to the tune of $2,500,000,000. Now, are you satisfied we did that? Be careful what you do or it will come right back; it will be a bomb against you in the end if you do not keep your eyes open.

Mr. MAHON. Of course, the issue of rearming other free nations is not involved in the pending measure.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Michigan.

Mr. CRAWFORD. The gentleman from Texas [Mr. MAHON] has a congressional district which lies very close to the great mohair producing subdivision of that great State, and I should like to ask him this question as relates to the point made by the gentleman from Pennsylvania [Mr. RICH]. If through this $5,000,000,000 appropriation or other types of appropriations or through plan 4 or the Marshall plan we are to pour billions of dollars into the treasuries of other countries, why is it not logical—I am asking this question; I am not defending the proposition but I am talking about the logic of it—why is it not logical—and I might say, political—to assist those countries through paying to them very, very high prices for the raw material that they ship to us, and do business straight over the counter instead of channeling it through the so-called Marshall plan, plan 4, or otherwise? Would the gentleman care to comment on that phase?

Mr. MAHON. I doubt that we have the time to discuss that matter but the gentleman raises a very important question.

Mr. CRAWFORD. If we are going to do the job, I think we may find it will be more constructive all the way through to pay the prices through the commodity markets instead of channeling them through these subterranean avenues.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. CANNON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes seemed to have it.

Mr. MARCANTONIO. Mr. Speaker, I object to the vote on the ground that a quorum is not present. However, I will withdraw that, if the Chair will permit me to make a statement to the effect that my vote be recorded at this place in the negative.

The SPEAKER pro tempore. The gentleman's statement will appear, of course, in the RECORD.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 1: Page 2, line 1, insert the following:

"PAYMENT OF SUMS DUE DECREASED CONGRESSIONAL PERSONNEL

"(a) Section 49 of the Revised Statutes is amended to read as follows:

"'SEC. 49. When any person dies while serving as a Member of or Delegate to Congress, as Resident Commissioner from Puerto Rico, as an officer or employee of either the Senate or House of Representatives, or as an employee of a joint committee of the Senate and House of Representatives, the appropriate disbursing officer of the Senate or House of Representatives shall pay to the widow or widower of such person, or, if there is no widow or widower, to the next of kin or heirs at law of such person, any unpaid balance of salary or other sums due such person at the time of his death.'

"(b) Section 50 of the Revised Statutes is repealed."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 1, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"PAYMENT OF SUMS DUE DECEASED CONGRESSIONAL PERSONNEL

"When any person dies while serving as a Senator or officer or employee of the Senate, the disbursing officer of the Senate shall pay to the widow or widower of such person, or, if there is no widow or widower, to the next of kin or heirs at law of such person, any unpaid balance of salary or other sums due such person at the time of his death.

"Section 50 of the Revised Statutes shall not be effective as to persons included within the foregoing."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 4: On page 2, line 21, insert the following:

"Senate Restaurants: For replacement of equipment, Senate Restaurant, Capitol Building, to be expended by the Architect of the Capitol under the supervision of the Senate Committee on Rules and Administration, without regard to section 3709 of the Revised Statutes, as amended, $4,000."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 5: On page 4, line 6, insert the following:

"ACCESS ROADS (ACT OF SEPTEMBER 7, 1950)

"For expenses necessary in carrying out the provisions of section 12 of the Federal-Aid Highway Act of 1950, including $2,000,000 for payments of obligations incurred pursuant to the contract authorization granted by said section, to remain available until expended, $10,000,000, of which $2,000,000 shall be derived by transfer from the unexpended balance of funds heretofore appropriated for carrying out the provisions of section 6 of the Defense Highway Act of 1941 (55 Stat. 765)."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate Numbered 5, and concur therein with an amendment, as follows: In lieu of the sum of $10,000,000 named in said amendment, insert "$7,000,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 6: On page 5, line 19, insert the following:

"MARITIME ACTIVITIES

"SHIP CONSTRUCTION

"The first proviso in the paragraph under the head 'United States Maritime Commission, ship construction' in the Independent Offices Appropriation Act, 1951, is hereby amended by striking out 'December 31, 1950' and inserting in lieu thereof 'June 30, 1951.'

"Appropriations and contract authority made available to the United States Maritime Commission for ship construction in the fiscal years 1950 and 1951, and in addition thereto $224,000,000 in contract authority, the totals of which, including not to exceed $500,000 which may be transferred to the appropriation "Salaries and expenses" for necessary administrative costs without regard to limitations thereon in said appropriations, and including not to exceed $15,000,000 for the construction, activation, acquisition, and expansion of plants or facilities, on land whether owned by the Government or otherwise owned, shall be available, without regard to the provisions of the Merchant Marine Act of 1936 with respect to essential trade routes, for construction of such additional dry-cargo vessels as the Secretary of Commerce, with the approval of the President, shall find necessary for national security: *Provided*, That such additional vessels shall not be subject to the first proviso under

the head 'New ship construction' in the Independent Offices Appropriation Act, 1950, or the last proviso under the head 'Ship construction' in the Independent Offices Appropriation Act, 1951.

"For the payment of obligations incurred on or after July 1, 1946, including obligations authorized herein, for ship construction, reconditioning and betterments, pursuant to the Merchant Marine Act, 1936, as amended, and to the authority granted under the head 'United States Maritime Commission' in the several appropriation acts for the fiscal years 1947, 1948, 1949, 1950, and 1951, the unexpended balance of funds heretofore appropriated for the liquidation of such obligations may be consolidated and may, in total, be available for the liquidation of such obligations.

"SALARIES AND EXPENSES

"Limitations under the head "Salaries and expenses," United States Maritime Commission, in the Independent Offices Appropriation Act, 1951, are amended as follows: 'Maintenance of shipyard facilities' is increased from '$452,000' to '$483,000,' and 'Maintenance and operation of terminals' is decreased from '$765,000' to '$734,000.' "

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 6, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"MARITIME ACTIVITIES

"SHIP CONSTRUCTION

"The first proviso in the paragraph under the head 'United States Maritime Commission, ship construction' in the Independent Offices Appropriation Act, 1951, is hereby amended by striking out 'December 31, 1950' and inserting in lieu thereof 'June 30, 1951.'

"Appropriations and contract authority made available to the United States Maritime Commission for ship construction in the fiscal years 1950 and 1951 shall also be available, without regard to the provisions of the Merchant Marine Act of 1936 with respect to essential trade routes, for construction of such additional dry-cargo vessels as the Secretary of Commerce, with the approval of the President, shall find necessary for national security: *Provided*, That such additional vessels shall not be subject to the first proviso under the head 'New ship construction' in the Independent Offices Appropriation Act, 1950, or the last proviso under the head 'Ship construction' in the Independent Offices Appropriation Act, 1951.

"SALARIES AND EXPENSES

"Limitations under the head 'Salaries and expenses,' United States Maritime Commission, in the Independent Offices Appropriation Act, 1951, are amended as follows: 'Maintenance of shipyard facilities' is increased from '$452,000' to '$483,000,' and 'Maintenance and operation of terminals' is decreased from '$765,000' to '$734,000.' "

Mr. THOMAS. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the Senate amendment No. 6 and concur in the same.

Mr. CANNON. Mr. Speaker, I ask for a division of the question.

The SPEAKER. The question is, Will the House recede from its disagreement to the amendment of the Senate No. 6?

The motion was agreed to.

Mr. CANNON. Mr. Speaker, I move that the House concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House concur in the amendment of the Senate numbered 6 with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"MARITIME ACTIVITIES

"SHIP CONSTRUCTION

"The first proviso in the paragraph under the head "United States Maritime Commission, ship construction" in the Independent Offices Appropriation Act, 1951, is hereby amended by striking out 'December 31, 1950' and inserting in lieu thereof 'June 30, 1951.'

"Appropriations and contract authority made available to the United States Maritime Commission for ship construction in the fiscal years 1950 and 1951 shall also be available, without regard to the provisions of the Merchant Marine Act of 1936 with respect to essential trade routes, for construction of such additional dry-cargo vessels as the Secretary of Commerce, with the approval of the President, shall find necessary for national security: *Provided*, That such additional vessels shall not be subject to the first proviso under the head 'New ship construction' in the Independent Offices Appropriation Act, 1950, or the last proviso under the head 'Ship construction' in the Independent Offices Appropriation Act, 1951.

"SALARIES AND EXPENSES

"Limitations under the head 'Salaries and expenses', United States Maritime Commission, in the Independent Offices Appropriation Act, 1951, are amended as follows: 'Maintenance of shipyard facilities' is increased from '$452,000' to '$483,000', and 'Maintenance and operation of terminals' is decreased from '$765,000' to '$734,000.' "

Mr. THOMAS. Mr. Speaker, really the question—to put it in different language—is simply this: you will vote on the motion of the gentleman from Missouri. His motion is to reduce for cargo ship construction the over-all sum of $350,000,000, by $224,000,000. The motion that the gentleman from Texas has made is to keep intact the $350,000,000 as voted by the other body.

Mr. CANNON. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. CANNON. The motion of the gentleman from Missouri is not to reduce the amount. It is to adopt the language of the budget estimate.

Mr. THOMAS. May I say to my distinguished friend that he may make his own speech on his own time. But you certainly do not deny that you are taking off $224,000,000?

Mr. CANNON. I certainly do. We are not moving to reduce the amount at all.

Mr. THOMAS. That is exactly what your motion is, and I certainly am surprised at my distinguished friend in not being a little more frank with the House.

Mr. CANNON. Furthermore, when this very identical question was before the House, they voted down this same motion.

Mr. THOMAS. I do not yield to my friend any further. If I may proceed with my statement, may I say that we all love our friend, and if he is confused, will you just forgive both of us?

Now, Mr. Speaker, of course the motion of the gentleman from Missouri [Mr. CANNON] in truth and in fact lops off $224,000,000. Let me give you quickly in chronological order a history of things that have been going on in the full committee and in the Independent Offices Subcommittee. This item came to your subcommittee for $126,000,000 to build 15 or 16 fast cargo ships—fast 20-knotters. We have nothing that will go faster than 10 knots now, with the exception of 75 others that will go 15 knots.

Perhaps one of the many errors in judgment which we made during World War II was to build these slow ships, every one of which has to be convoyed, which means a loss of time, a loss of manpower, and a loss of dollars. The Maritime Commission, the White House, the Navy, the Joint Chiefs of Staff, and everybody, says that we need these fast cargo ships. These ships will be able to travel without a convoy. Look at the time you are going to save. Look at the manpower that the Navy will save. They will have a helicopter at either end to protect themselves. They will have torpedo tubes and they will have guns. They will weigh around 13,000 deadweight tons and will cost anywhere from $6,500,000 to $7,000,000. They will require from 11 to 14 months to build.

Your subcommittee unanimously raised the budget estimate from 16 of these ships to 50 because they told us that they would have to have several hundred of them. We cannot go to Sears-Roebuck catalogue and get these ships. It takes from 11 to 14 months to build one of them. Let us reactivate these yards on the Atlantic and on the Pacific and in the Gulf and get our labor started and trained, and let us start building these ships.

My distinguished friend from Missouri [Mr. CANNON], our able and genial chairman, did not like the unanimous vote of our subcommittee, and he just overturned it. I do not know by what authority, but my hat goes off to him. He really overturned it. I think he whispered to the clerks in a firm voice and said, "Just take it out." I love him for that.

The SPEAKER. The time of the gentleman from Texas [Mr. THOMAS] has expired.

Mr. CANNON. Mr. Speaker, I yield the gentleman five additional minutes.

Mr. THOMAS. Let me thank the gentleman from Missouri. He is a gentleman and a scholar and one of the ablest men in this House.

Mr. PHILLIPS of California. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. PHILLIPS of California. Should not the gentleman from Texas, with whom I agree, point out that the Senate put it back as contract authority; so that the actual amount of money involved is not an addition to the present budget?

Mr. THOMAS. That is right; $224,000,000 contract authority, but in the final analysis there is no difference, because it has to be paid.

The subcommittee was unanimous, five to nothing. We came to the full committee, and we had a closed session and a little friendly argument among ourselves, and we had a vote, and, by about 2 to 1, we put it back in. It came to the House, there was some confusion, and it went out on a point of order. Over in the other chamber the Senate put it back in. Now, that is the situation. The question is very clear. Do you want to

build some fast cargo ships, when the Navy, the Bureau of the Budget, the White House, and the Joint Chiefs of Staff, and everybody says we need them?

Mr. CANNON. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. CANNON. The White House and everybody else the gentleman mentioned says we do not need them in this bill.

Mr. THOMAS. Now, you are too smart a man to make that statement, if you will pardon me for chiding my friend. It came up as a budget item for 16. Now, did your people send you up here to let some CAF-8, or 9, or 10, in the Budget Bureau tell you what to do? If they did, you can do it. My people did not send me up here to do that, and I am going to follow my own judgment, and the House of Representatives is supposed to provide the money, and not the Bureau of the Budget. I think we are going to be too little and too late, if we do not keep this item in here.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. RICH. You made the statement that these vessels were built during World War II.

Mr. THOMAS. Oh, no, no. They have not been built. We are trying to get them started, and it takes from 11 to 14 months to build them.

Mr. RICH. Well, where are those slow ships?

Mr. THOMAS. They are laid up in the reserve fleet at various points throughout the country. They do not make more than 10 knots an hour. They must go in convoy, and in convoy they make about 7½ knots. Do you know how long it will take these ships to get to our boys in Korea? Forty-five full sailing days. With these ships that we are trying to build, we can get that time down, from 45 days to about 19 days.

Mr. RICH. Where are the ships you built during World War II?

Mr. THOMAS. You have got about 1,600 of them. That is what I am trying to tell you now. They will only make about 7½ knots an hour.

Mr. RICH. Did not the same White House, did not the same Budget Bureau, and did not the same people who advocate this and who were doing these things that they did when they built these slow ships, now come in here and tell you to do something different?

Mr. THOMAS. No. No.

Mr. RICH. If you are going to follow them now, you ought to get new people down there.

Mr. THOMAS. I will say to my distinguished friend that it is a different set of people. Of course, we are not following the budget. That is what we are trying to get away from. We are trying to move a little faster than the budget.

Mr. RICH. Well, the way the budget has been moving and spending for the last two or three decades, it is about time we got away from them.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. CANFIELD. It seems to me the most important executive authority is Admiral Cochran, Chairman of the United States Maritime Commission.

Mr. THOMAS. Do you want me to tell you what he said?

Mr. CANFIELD. Yes; that is what I want the gentleman to tell the House.

Mr. THOMAS. And the admiral said, "I have got to defend this budget; but if you will let me tell you what I think, we have got to have several hundred of these vessels, and the more we build now the better off our fighting boys are going to be."

Mr. CANFIELD. I am glad the gentleman said that; that is why I am going to vote to support the gentleman.

Mr. THOMAS. Why build these guns, tanks, planes, and implements of war if you cannot deliver them when you need them?

Mr. CANFIELD. The gentleman is right.

Mr. THOMAS. Now, let us vote down the motion of my distinguished friend to cut out $224,000,000 which virtually cuts out 34 of these ships; then when the motion to recede and concur comes along, vote for it and put the money back.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. THOMAS. Let me thank my genial chairman for yielding to me.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. PHILLIPS].

[Mr. PHILLIPS of California addressed the House. His remarks will appear hereafter in the Appendix.]

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

(Mr. WIGGLESWORTH asked and was given permission to revise and extend his remarks.)

Mr. WIGGLESWORTH. Mr. Speaker, in my judgment the House made a mistake, and a serious one, when it eliminated the construction of all fast cargo ships from the bill now under consideration.

I think the House ought to support the motion which the distinguished gentleman from Texas [Mr. THOMAS] has offered in order to make it possible to start construction of 50 of these ships as soon as possible.

I look at this matter solely from the standpoint of national defense.

We have been told for a long time of our need for fast cargo vessels—vessels which can outrun submarines and take care of themselves. Korea and the general picture in the world today have served to emphasize this need.

These ships, if we are to believe the printed record, meet the requirement of greater speed than the submarine and of being able to proceed and to take care of themselves, without benefit of convoy.

I have known Admiral Cochrane, present head of the new Maritime Board for a number of years as a high-ranking naval officer—I have confidence in him. He has already been referred to.

I want to quote one sentence from the record of the hearings before the Senate Appropriations Committee in this connection. I think it is important.

Senator HILL asked Admiral Cochrane the following question. I quote:

> Is it the idea that these ships would be so fast that they would outrun a submarine—if they found a submarine there they could outdistance it?

Admiral Cochrane replied, and I quote:

> They will outrun any submarines that we know about today.

Mr. Speaker, the truth of the matter is that Admiral Cochrane asked the Bureau of the Budget for the construction of 50 of these ships. Your Subcommittee on Appropriations after careful consideration recommended to the full committee the construction of 50 of these ships. Your full Committee on Appropriations by record vote recommended to the House the construction of 50 of these ships.

The Senate Committee on Appropriations after hearings on the subject also recommended to the Senate as a whole the construction of 50 of these ships. And the Senate as a whole in approving the measure before us, also gave its approval of the construction of 50 of these ships.

Sixteen ships, Mr. Speaker, are better than no ships but I personally think that 50 ships is a very reasonable request in the light of probable requirements.

We need the ships for national defense. We need the construction of the ships for national defense. In my opinion, we are going to need a lot more than 50 of these ships before long.

It takes from 10 to 14 months to build any one of these ships. Time in terms of national defense is of the essence. We should go along with the gentleman from Texas [Mr. THOMAS] and permit construction of 50 ships to be started at the earliest possible moment.

Mr. CANNON. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. SHELLEY].

(Mr. SHELLEY asked and was given permission to revise and extend his remarks.)

Mr. SHELLEY. Mr. Speaker, I rise to support the position taken by the gentleman from Texas. I think there are several factors in connection with this issue that the Members of the House who may not come from coast line areas should know. This country, through two world wars, has found itself without a merchant marine and has found it necessary to depend upon foreign merchant marine shipping to carry ammunition, men and supplies abroad. In haste we then built vessels of a type that could be speedily built, but vessels not of an economical nature to serve in peacetime, and not actually adequate in war, except that we were able to build so many of them because of our productive capacity. Those are the vessels that are laid up in our various ports now. They are not adequate for the problem with which we are confronted. Secondly, we do not have a merchant marine that is modern and up to date. The Maritime Board now proposes to meet both of these problems. If we get into an all-out war, if

we get into any expansion of that situation with which we are now confronted as country, we cannot depend upon liberty ships, an antiquated and obsolete type, powered by triple expansion reciprocating engines with a top speed when new of 10 knots; they were an emergency job. We need fast new prototype cargo and troop-carrying vessels, Diesel or electric turbine powered and capable of maintaining over 20 knots cruising speed for long periods; vessels equipped for a "fast turn-around" and with far more modern cargo-handling gear than the "libertys." The Dutch and the English and other foreign nations are building 20-, 22- and 24-knot vessels. We do not have vessels to compete with them in peacetime, and we cannot always depend upon their vessels to carry our men and our supplies in wartime. We should get into this program immediately, and I think it is just as much a part of our national defense as building tanks, airplanes or arms for the men in the field. The program will take some time to get into. We do not build a ship overnight, but after the first one, two or three vessels are built, then you speed up your program. The shipyards are lying idle throughout this country, and foreign countries are busily engaged in building new, fast ships. The so-called No. 1 enemy of this country and of democracy throughout the world is for the first time in its history recognizing the importance of sea power in world affairs, and Russia is now building battle vessels and fast cargo-carrying vessels, as well as a huge fleet of submarines. Is this country going to be found wanting again for the third time and depend on chartering foreign vessels and using vessels that are laid up because they do not meet the purpose? I think the proposal made by the gentleman from Texas should be kept in the bill and should not be stricken out. It is all too modest to meet the needs. This is a subject and a problem which I have repeatedly urged action upon before this body. My remarks of July 10, 1950 and September 8, 1950, calling attention to the critical need have received wide support from those who really know the situation and the danger. We now have opportunity to take the first step in adequately meeting that danger. I strongly urge adoption of the proposal.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. SHELLEY. I yield to the gentleman from Iowa.

Mr. JENSEN. In the gentleman's estimation, would American boys' lives be saved by the building of these additional ships?

Mr. SHELLEY. My answer is, "Yes"; definitely so.

The SPEAKER. The time of the gentleman from California has expired.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. RABAUT. I just want to ask the gentleman from New York who sat on this committee, if the budget estimate did not call for 16 ships?

Mr. TABER. It did.

Mr. RABAUT. And I want to ask the gentleman if these ships are in any other form than the blueprint stage?

Mr. TABER. That is correct; they are not beyond the blueprint stage.

Mr. RABAUT. This is a trial order for 16 ships in the blueprint stage. They might find a lot of trouble with them when they finally have them built. So, are you going to get into a wholesale construction of these ships when you have never had one of these ships built before?

Mr. TABER. That is one of the things that disturbs me tremendously.

Mr. RABAUT. And they cost $7,000,000 apiece.

Mr. TABER. That is correct.

Mr. RABAUT. You do not know whether they will be the success they predict they will be or not.

Mr. TABER. We do not. If they do what Admiral Cochrane said they would do, go 20 knots, they will not be fast enough to go without convoy against the 26-knot snorkel submarines under water and 30 knots on the surface.

Mr. RABAUT. Another thing is, we are going to have the defense forces before us again before long, at which time, if they want to revise their order and stay within the budget estimates, they can do so.

Mr. TABER. That is correct.

To my mind, the provision for 15 or 16 of these ships is exceedingly liberal, because they are unproved. On top of that, in building them we are following the pattern which got us into trouble in the last war, where we built a couple of thousand of these Liberty ships, that the gentleman from Texas told us a minute or two ago would do only 7½ knots. Now we are going to build another bunch that will not do the job. I want to see us design ships that will do the job, and then I am ready to give them the money.

The gentleman from California told us that other nations were building ships that would do 22 and 24 knots. I want to see our folks design ships that will do at least 26 knots, so that they would be some good to us in this situation we are facing, rather than go ahead with a lot of ships that will do 20 knots which will not serve the purpose we desire to have brought about. That is the position I take.

Mr. THOMAS. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Texas.

Mr. THOMAS. Most of us certainly admire the judgment of my distinguished friend from New York, although I am afraid he has gone a little far afield today, but I wonder if the gentleman would want to stop the purchase of some five or six thousand airplanes we are buying now on the theory that they are brand new planes and we do not know whether or not they are going to work.

Mr. TABER. The planes we are ordering on a quantity basis are pretty well tried out.

Mr. THOMAS. Does not the gentleman know that we have been building cargo ships in this country for the last 100 years, and there is no error in these ships? The gentleman knows that.

Mr. TABER. There is plenty of error in those old Liberty ships that will do only 7½ knots.

Mr. RABAUT. That is the point I was going to make. We are talking about error in ships. We have ships galore in mothballs that they claim they cannot use today.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Mississippi.

Mr. COLMER. The statement was made by the gentleman from Michigan that none of these ships had been tried out, that they would all be new. Does not the gentleman know that there is now one of these ships, a prototype, already under construction.

Mr. TABER. I did not understand that anything was beyond the blueprint stage. That is what I have been told. That is the information that has come to me. Maybe it is wrong.

Mr. COLMER. I have just had some information to the effect that under a contract a prrototype ship is now being built along this line. It happens that it is being built in my home town. That is the reason I happen to know something about it.

Mr. TABER. I read the hearings of Admiral Cochrane before both committees, and I did not see anything about it.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Part of the question I desired to ask the gentleman from California [Mr. PHILLIPS] was this: If these new ships to make 20 knots an hour are to be convoyed, how can the speed of such ships be utilized with the slow-moving other ships that must go along with the convoy?

Mr. TABER. They cannot go in a convoy with slower ships. That would not do. The only way they could go in a convoy and have it successful would be to have all the ships of about the same speed.

Mr. CRAWFORD. That is the next point I want to develop. Where are the other ships which are necessary in the make-up of a convoy, or a train, we will call it, with the necessary speed to meet the 26- or 30-mile speed of the submarines?

Mr. TABER. There is nothing in sight that can do that.

Mr. RABAUT. They are to be equipped with helicopters. The helicopters are supposed to be their protection. They are not supposed to go in convoys.

Mr. TABER. They would not be able to go ahead and get anywhere unless they had more speed than 20 knots.

That is absolutely certain. Why we should attempt to build ships that will go 20 knots when other countries are building them at 22 and 24 knots is a little beyond my understanding. If this was

for the benefit of our national defense, I would be for it, but I do not see it.

Mr. BATES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. BATES of Massachusetts. I am given to understand that at the present time, or at least in the recent past, the Maritime Commission has authorized the selling of ships capable of doing 18 knots to private enterprise on the Great Lakes. Can the gentleman enlighten the House in that respect?

Mr. TABER. I understand they have been negotiating for them and I supposed that they had sold them some of these Victory ships which some people say will do 14 and 15 and 16 and 17 knots. I do not know. But I understand that that is the story—they are negotiating for them and getting ready to move them.

Mr. BATES of Massachusetts. I wonder if the gentleman would inquire of the proponents of this bill whether or not they have information along that line.

Mr. RABAUT. What does the gentleman want to know?

Mr. TABER. Are they the Victory ships that will go 15, 16, and 18 knots?

Mr. RABAUT. I think they are not the troop-carrying type, but the cargo-carrying ships. I think they have been negotiating for 10 of those ships to be transferred to the Great Lakes for the purpose of carrying ore. You certainly need ore for the war effort.

Mr. BATES of Massachusetts. We certainly need both types of ships.

Mr. TABER. Yes.

Mr. BURNSIDE. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. BURNSIDE. What evidence does the gentleman have that submarines can make 26 knots?

Mr. TABER. Only what the Defense Department tells us—that is all I have. I do not have anything better. I do not know any other way that you can get any better information.

Mr. HUGH D. SCOTT, JR. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. HUGH D. SCOTT, JR. I gather in referring to the fact that there may be submarines that can go faster than 20-knot ships, the gentleman is thinking in terms of a submarine overtaking a ship. Is it not true that a 20-knot ship is better able to get near a safer or a friendly shore or a friendly fleet than a 14-knot ship?

Mr. TABER. Unquestionably. On the other hand, if other nations can build faster ships we ought to get designs out that would enable our ships which we are building do the job which they are supposed to do. We made a terrible mistake in World War II in building too many of these Liberty ships which have turned out to be absolutely helpless in this particular; and we will get into the same boat again unless we are careful as to how we proceed.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. RABAUT. I am certain the gentleman does not want to leave the impression that we do not favor any of these ships. We are in favor of 16 of these ships as approved by the budget.

Mr. TABER. That is correct. Frankly I think it is a very liberal figure considering the fact that they are not fast enough on the basis of our knowledge today as to the conditions that they will have to meet at sea.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. DINGELL. There is no guaranty that this type of ship, of which the committee provides for the construction of 16, traveling at the rate of 20 knots an hour cannot be hit by a 44- or 48-knot-per-hour torpedo? Is there any guaranty that because they have a 20-knot speed that they will not be hit by a 44- or 48-knot torpedo?

Mr. TABER. There is no guaranty.

Mr. DINGELL. Of course not. Moreover, do we have any guarantee that these ships can go without a convoy?

Mr. TABER. We do not.

Mr. DINGELL. There is no guaranty, and no one else can give me that guaranty. The convoy is the safest thing. It is indispensable to delivering the goods. Unless you can build a ship that will travel about 36 knots an hour, like a good fast Chris-Craft, you might just as well forget the 20-knot an hour ship and claiming immunity for such a ship from submarine attack with submarines now traveling at the rate of 26 knots an hour which have 44- to 48-knot torpedoes, and even torpedoes that travel at a higher rate of speed. It just cannot be done. It does not make common sense. I can understand this demand from some of our shipbuilding centers, Mr. Speaker, because I think it will mean more business to them, but when you have an order of 16—a trial order—I think that is sufficient.

Mr. TABER. It seems to me that we ought to vote for the motion that has been made by the gentleman from Missouri [Mr. CANNON].

The SPEAKER. The time of the gentleman from New York [Mr. TABER] has again expired.

Mr. CANNON. Mr. Speaker, this is not an unimportant matter. The country is at war. We are confronted by perhaps the most serious situation the country has faced in its history.

One of the bottlenecks is money. We do not have the financial resources we had when we fought the First World War. We are not where we were financially when we fought the Second World War. We have hanging over us a stupendous debt. And nothing has been paid on it. We have been engaged in deficit spending ever since 1941 and are spending twice our income today with the prospect of accelerated disbursements.

And, we are finding it difficult to borrow more money. For 3 months this last summer although we were in a bond-selling campaign, more bonds were cashed than we were able to sell.

Furthermore, everything we buy today costs twice what it cost during the Second World War. The cost of war materials and military armament has advanced enormously. We are in desperate need of money. It is one of the most vital factors in the war.

To meet this appalling situation we must not only levy additional taxes but we must discontinue all spending not absolutely essential and we must spend such funds as we have with the greatest care. It must be put where it counts most. We must not spend more money than is urgently required and certainly we should not spend more money than the military authorities have asked for. They have not asked for this additional money.

My good friend from Texas [Mr. THOMAS] has made some of the most astonishing statements here. In the first place, he said the pending motion is to reduce $350,000,000 for cargo ship construction by $224,000,000.

Mr. Speaker, we do not propose to decrease the bill by one penny. The motion is at the desk and speaks for itself. Then the gentleman from Texas said I directed the clerks to take the item out. No such instructions were given. The item was never in the bill. It was never voted for by more than three Members until after the bill was printed and was never at any time voted unanimously by the subcommittee. The gentleman from Texas further said the Maritime Commission, the White House, the Navy, and the Joint Chiefs of Staff say we need these additional ships. The Maritime Commission, the President, the Navy, nor the Joint Chiefs of Staff have never made any such statement to anybody under any circumstances at any time anywhere. The printed hearings are before us and there is no such intimation. If there is then let us have the book and the page. We talked again to the Bureau of the Budget this morning and they said nothing has developed since the hearings that would warrant any increase in the $126,000,000 asked for the 16 ships.

Now, what is the situation? The Bureau of the Budget sent up a request for 16 ships. They are experiments. They are in the blueprint stage. We do not know what they can do. We can only guess what they might do. As the gentleman from New York [Mr. TABER] said, that seems a very liberal allowance when we do not know what they will do. If we should go wholesale and build 50 ships when steel is hard to get, when all supplies used are strategic materials, and these ships will only travel 20 knots an hour, we will waste a large part of everything we put into them.

We already have cargo ships. We have 2,021 in moth balls at this time. They are serviceable, because during this Korean War we have taken 151 of them out of moth balls, and they are now in service. The only difference between that ship and the ship they propose to build is possibly 5 knots an hour.

As has been said, these new Snorkel submarines will travel 26 knots. How is a 20-knot ship going to run away from a submarine that travels 26 knots?

Mr. THOMAS. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Texas.

Mr. THOMAS. Does the gentleman have any competent authority on earth

to the effect that there is a submarine in being now that will make 26 knots?

Mr. CANNON. We were told that during the hearings.

Mr. THOMAS. Our own Navy has some snorkel submarines, and no one claims that they will make more than 10 or 12 knots an hour. Admiral Cochran testified that these 20-knot ships—bear in mind, we do not have one single ship that will make 20 knots an hour—but he testified that these 20-knot ships will outrun any known submarine. If he does not know, who does? He built all of our submarines in World War II and is the outstanding authority in America.

Now, Mr. Speaker, there have been some loose statements made here about these submarines making 26 knots. We certainly do not have one; and, as far as the Navy and our naval architects are concerned, they do not know of one on earth that will do it. Let us be perfectly frank about it. Why build 16? Why build 1 if they are experiments? But these are not experimental ships; they are practical, everyday cargo ships, and we need them and need them badly.

Too little, too late. Let us not have that hurled at us.

Mr. CANNON. The gentleman makes the statement that these are not experimental ships. Not one has been built; they are still in blueprint stage. We do not know what such a ship it will be until we have built one. They want to build 16 ships. That is all they ask. Let us build the 16 ships and see what they will do; then if they are a success we can proceed with others.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield for a question?

Mr. CANNON. I yield to the gentleman from Michigan.

Mr. CRAWFORD. If any or all of the Members of this distinguished body wish to come to my office I will show a current report on this experimental shipbuilding proposition that will open your eyes on this debate, because they are full of bugs. You have got to rout the bugs out by building a few and trying them out under the pressure of their normal use.

The chairman of the committee is right. This is an experiment. It is a public record. I will show it to you if you will come over to my office.

Mr. CANNON. The gentleman from Michigan makes a statement axiomatic in ship building. In spite of every effort to build 20-knot cargo ships for the last 100 years no ship has ever been launched that would make that speed. What ground is there for believing that we can just go out and build 50 ships offhand that will do what no previous ship has done. Such ships are purely experimental and 16 is enough for a try-out.

Mr. Speaker, what little money we have we must make go as far as possible. And we must follow the best advice we can get in spending it. The gentleman from Texas says he will follow his own judgment in preference to that of the Defense Department and the trained Army and Navy officers who appeared before the committee and recommended the 16 ships. The managers on the part of the House do not have such confidence in their own judgment. We believe in critical times like these, when the very safety of the Nation is at stake, we should be guided by those who have made a life study of means of national defense. This item is a part of a great program, a coordinated program; it is related one part with another. When we propose to increase some favored item in the program it unbalances and dislocates to that extent the remainder of the program. We appeal to the House not to disorganize the program recommended by General Marshall, General Bradley, General Collins, Admiral Sherman, and General Vandenburg. They say this is all the money they need for these ships for the present. They do not recommend that we build more than 16 ships of this type at this time. It is merely a question of whose judgment the House prefers to take when our troops are falling back before an aggressive enemy overseas, with every prospect of more serious contingencies.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Michigan.

Mr. DINGELL. I think the experts are talking now with some sense. It was not so very long ago that the experts were telling us that the battleship was obsolete. If instead of following their advice and sinking a number of them at Bikini we had retained them and had them to use against both coasts of Korea we would be better off.

Mr. CANNON. All that the committee is asking today, Mr. Speaker, is that we follow the program laid down by the Bureau of the Budget, the Joint Chiefs of Staff, and the Department of Defense. I trust the House will agree to the motion of the conference committee.

Mr. Speaker, I move the previous question on the motion.

Mr. THOMPSON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. THOMPSON. In order to vote for the Thomas amendment, as I understand, we must first vote down the Cannon motion.

The SPEAKER. Yes; the Cannon motion must first be voted down.

The question is on ordering the previous question.

The previous question was ordered.

The SPEAKER. The question is on motion of the gentleman from Missouri.

The question was taken; and on a division (demanded by Mr. THOMAS) there were—ayes 94, noes 95.

Mr. CANNON. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and forty-six Members are present, a quorum.

Mr. CANNON. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So the motion was rejected.

The SPEAKER. The question is on the motion offered by the gentleman from Texas [Mr. THOMAS].

The question was taken; and the Chair being in doubt, the House divided and there were—yeas 127, noes 82.

Mr. CANNON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

So the motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 8: Page 11, strike out all of lines 3 to 11, inclusive.

Mr. CANNON. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 12: Page 12, line 7, insert:

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses', $3,250,000; and the limitation imposed by section 103 of the Independent Offices Appropriation Act, 1951, on the amount available for travel expenses under this head, is increased from '$260,000' to '$300,000'."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 15: Page 13, line 10, insert: "*Provided*, That both of the limitations under this head in the Supplemental Appropriation Act, 1951, on the amounts available for travel expenses are hereby repealed."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 17: Page 13, line 22, insert: "*Provided*, That purchases and contracts for supplies or services may be made by the Authority during the fiscal year 1951 without regard to any provisions of law relating to advertising or competitive bidding."

Mr. CANNON. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 22: Page 30, line 8, insert:

"CHAPTER VIII

"DISTRICT OF COLUMBIA

"(Out of revenues of the District of Columbia)

"OFFICE OF CIVIL DEFENSE

"For an additional amount, fiscal year 1951, for 'Office of Civil Defense,' $337,500; and appropriations granted under this head for the fiscal year 1951 shall be available for personal services without reference to the civil-service and classification laws."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in

the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate No. 22, and concur in the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"CHAPTER VIII

"DISTRICT OF COLUMBIA

"(Out of revenues of the District of Columbia)

"OFFICE OF CIVIL DEFENSE

"For an additional amount, for 'Office of Civil Defense,' $250,000; and appropriations granted under this head for the fiscal year 1951 shall be available for personal services without reference to the civil-service laws as related to recruitment."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 23: Page 30, line 17, insert:

"CHAPTER IX

"FOREIGN AID

"Whenever he determines that such action is essential, the President may from time to time utilize, for the effective carrying out of the purposes of the China Area Aid Act of 1950 (title II of Public Law 535, 81st Cong.), not to exceed in the aggregate 5 percent of the funds made available for the fiscal year 1951 for the purposes of the Economic Cooperation Act of 1948 (Public Law 472, 80th Cong.), as amended."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate No. 23, and concur in the same with an amendment, as follows: In lieu of the words "5 percent" named in said amendment, insert "3 percent."

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. LANE] is recognized for 15 minutes.

(Mr. LANE asked and was given permission to revise and extend his remarks.)

STOCKPILING WORSTED FABRIC

Mr. LANE. Mr. Speaker, on June 5, 1950, I introduced H. R. 8707, which would authorize, for a temporary period, the purchase by the Government of worsted fabric in amounts sufficient to maintain normal production and employment in the worsted-fabric industry, to promote the national welfare, and for other purposes.

One of these other purposes was to establish a stockpile of worsted fabric to insure that adequate supplies will be favorable for the common defense in any future emergency.

The Korean War broke out suddenly—several weeks later—while my bill was put to bed by the Committee on Interstate and Foreign Commerce, where it has been dead to the world ever since.

Meanwhile, a summer of hard fighting passed and when the bitter Korean winter hit our troops, there was much criticism that winter clothing was not supplied to them in time.

Now it could not have been that winter came as a surprise, because it is one factor that cannot be adjourned, amended, or otherwise put off. It has a habit of arriving on time.

Back here in the States, there has been a decrease in civilian demand for worsted fabrics. At the same time, with a curious sense of unreality, the procurement agencies of the Department of Defense have been slow in setting forth requirements and placing orders. Not only have they been UN-ready. Even with a war that is 6 months old, and with new men coming into the Armed Forces by the thousands, they hesitate on the first and fundamental necessity of providing them with uniforms.

Who is responsible for this stubborn and criminal neglect?

The finger points to the Munitions Board.

For verification of this charge, I refer you to the third report of the Preparedness Subcommittee of the Committee on Armed Services of the United States Senate, dated November 27, 1950. Many months before this, my efforts in this matter were prompted by concern for the woolen worsted textile industry of New England which furnishes employment to tens of thousands of workers. It occurred to me that the jobs of these people could be protected by Government purchases of the goods they produced, during those periods when civilian demand slackened. We had established the precedent of protecting farm income. We could do no less for industrial workers.

Since then, the merits of this proposal have become national in scope, because the security of this Nation is threatened. The new levies coming into the Armed Forces, whose numbers will swell into the millions, need clothing and equipment to do their job of protecting the free way of life from aggression. And clothing comes first.

Apparently the policy of the Munitions Board is to make haste slowly for the Strategic and Critical Materials Stockpiling Act was passed by the Congress as far back as June 7, 1939, and was amended as of July 23, 1946.

But when one looks for results, early in 1951, and at a critical moment in the history of this Nation, one is stopped by the statement of the Munitions Board that it will not reveal figures concerning the stockpile of wool.

Previously this hush-hush attitude gave rise to suspicions in the Congress that our wool stockpiling program was a "paper program" at best. Early in 1950, the Senate Armed Services Stockpiling Subcommitte decided to investigate the mystery. They were shocked by the lack of performance which they discovered. When the casualty lists from Korea started coming in, and the Nation realized that a police action had turned into a full-scale war, Congress authorized in a supplemental appropriation bill the procurement of 100,000,000 pounds of wool textiles, yarns, and other wool products, for the purpose of creating a war reserve. Even though the Defense Department subsequently took steps to secure 30,000,000 pounds of wool and 70,000,000 pounds of wool products for the war reserves, no substantial amounts of either have been acquired.

The Munitions Board is deliberately ignoring the lessons that were learned during World Wars I and II. In both conflicts we were caught without a sufficient supply of wool to meet stepped-up demands. In 1917 and 1918, the shortage was so serious that shoddy was used in the manufacture of military uniforms and blankets.

According to the Preparedness Subcommittee's report—November 27, 1950—there is no wool in the strategic materials stockpile.

The United States produces scarcely more than one-quarter of the wool it consumes in a year. Current production is about 230,000,000 pounds, grease base, as against a consumption of about 800,000,000 pounds annually.

We have been obliged for many years to import wool to meet our ordinary requirements. With the early shortages of World War II still fresh in our minds, and with the press keeping us informed that Russia was actively bidding for the Australian crop since the end of the war, the Munitions Board was given ample notice to stockpile without delay. But it ignored every competent warning. As a result, we will have to pay much, much more for the wool now—if we can get it—than we would have had to pay in 1947, 1948, and 1949, when we still had a substantial supply of home-grown wool in the Department of Agriculture inventory.

The Agriculture Department, at the end of World War II, had 400,000,000 pounds of wool. The supply held by the British Empire came to 1,500,000,000 pounds. This was possible because such large consuming areas as Europe, Japan, China, and other sections of Asia were excluded from the market, due to war conditions.

Beginning in 1947, these reserves were used up rapidly and were exhausted by 1949.

This was no secret to the Munitions Board.

CLINTON P. ANDERSON, former Secretary of Agriculture, and present Senator from New Mexico, urged the Board to secure some of the Department's wool stock for the strategic materials stockpile in a letter dated February 11, 1947.

The Board vaguely replied that the matter was being studied.

On four separate occasions, from May 1947 to April 1950, the Interagency Textiles Committee, which operates as a lesser voice within the Munitions Board set-up, asked that wool or wool products be stockpiled.

On January 13, 1949, the experts on the Industry Advisory Subcommittee on Wool of the Munitions Board recommended the stockpiling of garments as well.

But the "study" went on, while the wool disappeared, and the war clouds gathered.

Even after the Korean war had started, the Board refused to get going.

EXISTENCE OF RIGHT OF ACTION FOR TORT COMMITTED BY AGENT OF THE SOVEREIGN

The Supreme Court has held repeatedly that a suit may be maintained against an officer or agent of a State or the United States, and that it is not a suit against the sovereign to recover damages at law, for a past act of tort by a State official or instrumentality, done in good faith in the name of the State under color of office, where the officer, having no personal interest, was mistaken in thinking he had the lawful right to take the action he did, *Bates* v. *Clark* (95 U. S. 204, 209); *White* v. *Greenhow* (114 U. S. 307); *Chaffin* v. *Taylor* (114 U. S. 310); *Mitchell* v. *Harmony* (13 How. 114, 137); *Scott* v. *Donald* (165 U. S. 58, 67–70); *Hopkins* v. *Clemson College* (221 U. S. 636, 645); *Johnson* v. *Lankford* (245 U. S. 541, 546); *Belknap* v. *Schild* (161 U. S. 10, 18, 23, 26); as to the damages at law, arguendo see *Cunningham* v. *Macoon & Brunswick R. R. Co.* (109 U. S. 446, 452); and a fortiori where the official's act was arbitrary, capricious and in disregard of the law, *Johnson* v. *Lankford* (245, U. S. 541, 546).

Federal cases which appear to merit special attention include the Fleet Corporation cases, the Texas Power case, Brady against Steamship Company, and Luther against Borden. These cases are discussed hereafter under separate subheads.

Sloan Shipyards Corp. et al. v. *U. S. Shipping Board Emergency Fleet Corp. and the United States (249 U. S. 150)*

This was an action against the Fleet Corporation, involving the question of whether the Corporation, as an agent of the United States could be sued. In deciding this and two other related cases, the court said:

"These provisions sufficiently indicate the enormous powers ultimately given to the Fleet Corporation. They have suggested the argument that it was so far put in place of the sovereign as to share the immunity of the sovereign from suit otherwise than as the sovereign allows. But such a notion is a very dangerous departure from one of the first principles of our system of law. The sovereign properly so-called is superior to suit for reasons that often have been explained. But the general rule is that any person within the jurisdiction always is amenable to the law. If he is sued for conduct harmful to the plaintiff his only shield is a constitutional rule of law that exonerates him. Supposing the powers of the Fleet Corporation to have been given to a single man we doubt if anyone would contend that the acts of Congress and the delegations of authority from the President left him any less liable than other grantees of the power of eminent domain to be called upon to defend himself in court. An instrumentality of government he might be and for the greatest ends, but the agent, because he is agent, does not cease to be answerable for his acts. *Osborn* v. *Bank of United States*, 9 Wheat, 738, 843, 842; *United States* v. *Lee*, 106 U. S. 196, 213, 221. The opposite notion left some traces in the law, 1 Roll. Abr. 95, Action sur Cast, T., but for the most part long has disappeared."

Continuing, the Court said:

"If what we have said is correct it cannot matter that the agent is a corporation rather than a single man. The meaning of incorporation is that you have a person, and as a person one that presumably is subject to the general rules of law. The only serious question is whether special remedies have been provided by statute that displace those that otherwise would be at the plaintiff's command. The acts of April 22, 1918 (ch. 62, sec. 3, 40 Stat. 535), and of July 18, 1918 (ch. 157, sec. 13, 40 Stat. 913, 916), give compensation for a plant taken by the President under the powers conferred by the act of June 15, 1917 (ch. 29, 40 Stat. 182), and otherwise, with a resort for claims exceeding $10,000 to the Court of Claims; in the later act, by a suit against the United States. But the taking possession of the plaintiffs' plants on December 1, 1917, is alleged to have been unlawful and it cannot be assumed at this stage that the act of the Fleet Corporation was in pursuance of any powers then delegated to it or was within the ratification of December 3, 1918. The plaintiffs are not suing the United States but the Fleet Corporation, and if its act was unlawful, even if they might have sued the United States, they are not cut off from a remedy against the agent that did the wrongful act. In general the United States cannot be sued for a tort, but its immunity does not extend to those that acted in its name."

In a minority opinion, Mr. Chief Justice Taft, with the concurrence of Mr. Justice Van Devanter and Mr. Justice Clarke said:

"The question presented is one of the interpretation of the will of Congress. No one can contend that Congress is using the Fleet Corporation for its purposes might not have given it express immunity from suit as a representative of the United States. What we have to decide is whether in the mass of urgent legislation in respect to the Government's construction and operation of shipping made indispensable by the peculiar exigencies of the Great War, Congress intended that this corporate agent should be subject to suit only as its principal is. I concede that the legislation originally creating this corporation, without express immunity from suit, naturally gives rise to the inference that Congress concluded that the greater freedom of action secured by carrying on business in corporate form was desirable and that in the absence of express provision for it, and in respect to what the corporation was originally intended to do, immunity cannot be reasonably implied from the relation of the Government to the corporation and its interest in its business. As I read the record, however, the transactions in the two cases I am discussing, and which we have to consider, took place after the situation prompting the creation of this corporation had greatly changed and after much additional legislation. The power to do the things which were here done, and which are the subjects of these suits, is not to be found in the act creating the Fleet Corporation or in legislation expanding its original faculties. It was power vested directly in the President himself, the exercise of which he was given express authority to delegate to an agent, who might be the Fleet Corporation. The act conferring this Presidential power provided a specific remedy for compensation to those whose property rights were invaded by its exercise through award by the President and immediate payment of part due thereunder, with the right to the claimant to litigate the justice of the whole award in the Court of Claims. The Fleet Corporation in the arrangements which it forced upon the claimants in these two cases to their detriment expressly declared that it acted as a representative of the United States. I think the proper construction to be put upon the facts and the law is that these suits are in fact against the United States and cannot be brought except in the manner and under the procedure provided by the statute for claims for compensation for acts done by authority of the President under the act vesting him with it."

All the Chief Justice says here is that since Congress could create a corporation as an arm of the Government and give that corporation immunity from suit, the Court is not precluded, by the simple fact that Congress did not expressly grant such immunity, from finding in a specific case an intention that a corporation so acting as an arm of the Government should be immune from suit.

Only one of the cases referred to by the Chief Justice involved any allegations of tort, and the minority opinion appears to concern itself with contract rights.

Middleton v. *Texas Power and Light Company (249 U. S. 150)*

This was a case testing the validity of the Texas Workmen's Compensation Act. The plaintiff was a worker who had been injured and who sued outside the Compensation Act, such act then being pleaded as a defense.

The question presented, the Supreme Court said, was whether the Texas employer's liability act was in conflict with the due process and equal protection provisions of the fourteenth amendment to the Constitution. (The similar constitutional question with respect to a Federal status would arise under the fifth amendment.)

After disposing of all contentions made under the equal-protection clause (by holding that the act's discrimination between different classes of workers was neither arbitrary nor unreasonable), the Court said (at p. 162):

"It is argued further that there is a deprivation of liberty and property without due process of law in requiring employees, willingly or unwillingly, to accept the new system where their employer has adopted it. Of course, there is no suggestion of a deprivation of vested property in the present case, since the law was passed in April and took effect in September, while the plaintiff's injuries were received in the following December, after he had been notified of his employer's acceptance of the act. What plaintiff has lost, therefore, is only a part of his liberty to make such contract as he pleased with a particular employer and to pursue his employment under the rules of law that previously had obtained fixing responsibility upon the employer for any personal injuries the plaintiff might sustain through the negligence of the employer or his agents. But, as has been held so often, the liberty of the citizen does not include among its incidents any vested right to have the rules of law remain unchanged for his benefit. The law of master and servant, as a body of rules of conduct, is subject to change by legislation in the public interest. The definition of negligence, contributory negligence, and assumption of risk, the effect to be given to them, the rule of respondent superior, the imposition of liability without fault, and the exemption from liability in spite of fault—all these, as rules of conduct, are subject to legislative modification. And a plan imposing upon the employer responsibility for making compensation for disabling or fatal injuries irrespective of the question of fault, and requiring the employee to assume all risk of damages over and above the statutory schedule, when established as a reasonable substitute for the legal measure of duty and responsibility previously existing may be made compulsory upon employees as well as employers. *New York Central R. R. Co.* v. *White* (243 U. S. 188, 198–206), *Mountain Timber Co.* v. *Washington* (243 U. S. 219, 234)."

Language used in this decision is susceptible of misinterpretation. What the Court is saying here is not that due process is not required under the circumstances, but only that in this case there was due process, in view of the fact that there was a change in the rules of law, affecting everyone alike, and also a reasonable substitute for the legal measure of duty and responsibility previously existing.

Brady, Administratrix, v. *Roosevelt Steamship Company (317 U. S. 575)*

This case came up on certiorari to review a reversal of judgment for the plaintiff in suit against the steamship company to recover damages for the death of plaintiff's intestate. The deceased was a United States customs inspector who died as a result of injuries sustained when the rung of the ship's ladder broke under him while he was, in the course of his official duties, boarding a vessel owned by the United States.

The Court said: "We agree with the court below that this was a maritime tort over which the admiralty court has jurisdiction. * * * The sole question here is whether the Suits in Admiralty Act makes private operators such as respondent nonsuable for their torts." (It should be noted this case arose prior to the effective date of the Federal Tort Claims Act.)

Continuing, the Court said: "There is ample support for the holding in the Johnson case that section 2 of the Suits in Admiralty Act was intended to provide the only available remedy against the United States or its wholly owned corporations for enforcement of maritime causes of action covered by the act. But there is not the slightest intimation or suggestion in the history of that act that it was designed to abolish all remedies which might exist against a private company for torts committed during its operation of Government vessels under agency agreements.

"Section 1 of the Suits in Admiralty Act provides that no vessel owned by the United States or a governmental corporation or 'operated by or for the United States, or such corporation' shall be 'subject to arrest or seizure by judicial process in the United States or its possessions'." That section was designed to avoid the inconvenience, expense, and delay resulting from the holdings in *The Florence H.* (248 F. 1012), and *The Lake Monroe* (250 U. S. 246), that libel in rem would lie against vessels owned by the United States. (See S. Rept. No. 223, 66th Cong., 1st sess.; H. Rept. No. 497, 66th Cong., 2d sess.) The wording of that section makes clear that the right to arrest or seize the vessel was taken away whether the vessel was operated by the United States or its wholly owned corporation or for either of them by a private company. To that extent the act affects remedies which would otherwise exist on maritime causes of acting arising out of operation of Government vessels by private companies for the United States or its wholly owned corporations. Yet there is no indication whatsoever that it went further and took away any personal remedy which a tort claimant might have against such a private operator. While section 1 abolishes the right to arrest or seize the vessel, section 2 provides that 'a libel in personam may be brought against the United States or against such corporations' in cases where 'if such vessel were privately owned or operated * * * a proceeding in admiralty could be maintained.' Section 2, however, does not mention private operators. Nor do the committee reports advert to private operators, except as they may be affected by section 1. The liability of an agent for his own negligence has long been embedded in the law. *Quinn* v. *Southgate Nelson Corp.* (121 F. 2d 190), is a recent application of that principle to a situation very close to the present one. But the principle is an ancient one and applies even to certain acts of public officers or public instrumentalities. As stated in *Sloan Shipyards Corp.* v. *Emergency Fleet Corp.* (258 U. S. 549, 567), 'An instrumentality of Government he might be and for the greatest ends, but the agent, because he is agent, does not cease to be answerable for his acts.' In that case the Fleet Corp. was held to be amenable to suit. And that policy has been followed. * * * Congress adopted that policy when it made corporations wholly owned by the United States suable on maritime causes of action under section 2 of the Suits in Admiralty Act. That it had the power to grant or withhold immunity from suit on behalf of governmental corporations is plain. *Federal Land Bank* v. *Priddy* (295 U. S. 229); *Reconstruction Finance Corp.* v. *Menihan Corp.* (312 U. S. 81). We may also assume that it would have the power to grant immunity to private operators of Government vessels for their torts. But such a basic change in one of the fundamentals of the law of agency should hardly be left to conjecture. The withdrawal of the right to sue the agent for his torts would result at times in a substantial dilution of the rights of claimants. * * * We can only conclude that if Congress had intended to make such an inroad on the rights of claimants it would have said so in unambiguous terms."

Luther v. *Borden et al.* (*7 Howard, at p. 45*)

This early (1849) case, in which Mr. Chief Justice Taney delivered the opinion, was an action of trespass brought by Martin Luther against the defendants for breaking and entering the plaintiff's house. The defendants pleaded justification in that their actions were those of soldiers acting by command of their superior officers.

In the course of his opinion, Mr. Chief Justice Taney said: "The remaining question is whether the defendants, acting under military orders issued under the authority of the government, were justified in breaking and entering the plaintiff's house. In relation to the act of the legislature declaring martial law, it is not necessary in the case before us to inquire to what extent, nor under what circumstances, that power may be exercised by a State. Unquestionably a military government, established as the permanent government of the State, would not be a republican government, and it would be the duty of Congress to overthrow it. But the law of Rhode Island evidently contemplated no such government. It was intended merely for the crisis, and to meet the peril in which the existing government was placed by the armed resistance to its authority. It was so understood and construed by the State authorities. And, unquestionably, a State may use its military power to put down an armed insurrection, too strong to be controlled by the civil authority. The power is essential to the existence of every government, essential to the preservation of order and free institutions, and is as necessary to the States of this Union as to any other government. The State itself must determine what degree of force the crisis demands. And if the government of Rhode Island deemed the armed opposition so formidable, and so ramified throughout the State, as to require the use of its military force and the declaration of martial law, we see no ground upon which this court can question its authority. It was a state of war; and the established government resorted to the rights and usages of war to maintain itself, and to overcome the unlawful opposition. And in that state of things the officers engaged in its military service might lawfully arrest anyone, who, from the information before them, they had reasonable grounds to believe was engaged in the insurrection; and might order a house to be forcibly entered and searched, when there were reasonable grounds for supposing he might be there concealed. Without the power to do this, martial law and the military array of the government would be mere parade, and rather encourage attack than repel it. No more force, however, can be used than is necessary to accomplish the object. And if the power is exercised for the purposes of oppression, or any injury willfully done to person or property, the party by whom, or by whose order, it is committed would undoubtedly be answerable."

The VICE PRESIDENT. The question is on agreeing to the conference report.

The conference report was agreed to.

ADDITIONAL SUPPLEMENTAL APPROPRIATIONS, 1951—CONFERENCE REPORT

Mr. McKELLAR. Mr. President, I submit a conference report on H. R. 9920, making additional supplemental appropriations for 1951, and ask for its immediate consideration.

The VICE PRESIDENT. The clerk will read the report.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 11, 13, 14, 18, 19, 20, 21, 24, 25, 26, 27, 28, 29 and 30, and agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$10,000,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,065,000,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: "five hundred"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$66,500,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 4, 5, 6, 8, 12, 15, 17, 22 and 23.

KENNETH MCKELLAR,
CARL HAYDEN,
ELMER THOMAS,
RICHARD B. RUSSELL,
PAT MCCARRAN,
JOSEPH C. O'MAHONEY,
STYLES BRIDGES,
CHAN GURNEY,
KENNETH S. WHERRY,
GUY CORDON,
Managers on the Part of the Senate.

CLARENCE CANNON,
GEORGE MAHON,
MICHAEL J. KIRWAN,
JOHN TABER,
R. B. WIGGLESWORTH,
Managers on the Part of the House.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

The VICE PRESIDENT. The Senator from Tennessee [Mr. MCKELLAR] has 30 minutes, if he wishes to take it, and the Senator from New Hampshire [Mr. BRIDGES] has 30 minutes.

Mr. McKELLAR. Mr. President, I move that the conference report be agreed to.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. LANGER. Mr. President——

The VICE PRESIDENT. The only question is on agreeing to the conference

report presented by the Senator from Tennessee. There are two other matters in disagreement.

Mr. WHERRY. Mr. President, before the report is agreed to, will not the distinguished Senator from Tennessee, for the benefit of those who might desire to debate the matters which have been compromised, give an explanation of what the conference report does? Will the Senator not make a brief statement?

Mr. McKELLAR. I shall be glad to do so.

Mr. President, the conferees have agreed on every item in the bill except two. I believe a larger number of Senate amendments than House amendments were adopted.

As the Senate will recall, for a number of years there has been brought before the Senate and the House an item for the Buggs Island Dam. It was finally agreed to, and the dam is being constructed.

Amendment No. 8 has to do with the following provision:

For construction and acquisition of transmission lines, substations, and appurtenant facilities, and for administrative expenses connected therewith, in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U. S. C. 825s), as applied to the southeastern power area, including purchase (not to exceed five) and hire of passenger motor vehicles, $1,850,000, to remain available until expended.

The House inserted that language for the reason that the Government has spent a very large sum of money in building this great enterprise in the State of Virginia at Buggs Island.

As I understood, the Senators from that State were strongly in favor of it. At all events, the Government has built the dam, as it has built other dams, at great cost.

Under this measure the Virginia power company will build the transmission lines from this project to Langley Field; that is the purpose. The Government now has built the dam; the Government owns it. The proposal is that the Government turn it over to the private power company.

We have had this fight with the private power companies for a number of years, as all Senators know.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. AIKEN. Does this mean that a single power company will get the full benefit of the power generated there?

Mr. McKELLAR. I cannot say that. They claim that if they are allowed to build lines to Langley Field, they will provide the power as cheaply as the Government could do so.

Mr. AIKEN. Will the private power company have control of the lines from the bus bar?

Mr. McKELLAR. The private company will have the only transmission lines.

Mr. AIKEN. That means, does it not, that the private company will get all the power?

Mr. McKELLAR. In my judgment, that will happen.

Mr. AIKEN. And it will be power that will be generated at Government expense.

Mr. McKELLAR. I wish to say that this matter was brought out before our committee. Incidentally, the committee was opposed to my view that we should let the Government develop these lines. The dam will not be completed for 2 or 3 years.

Mr. President, why should we allow these proposed contracts to be made? If this language is retained, the Government will still have control. If not, the Virginia power company will control; it is a private power company, and it will control this business to Langley Field. I do not think that should be done. I opposed it; but a majority of the members of my committee are against me, and voted the other way.

This matter went to the House, and the House refused to accept the Senate amendment. So the first proposition before the Senate is whether we shall move to recede from the Senate amendment and concur in the action of the House.

Later on I shall move that the Senate recede and concur. I do not think this important bill should be held up in order to aid a private power company at this time.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. CHAVEZ. I simply wish to become acquainted with what the conferees did with reference to the Buggs Island power plant. As I recall, in the committee the idea was that inasmuch as the Government had constructed the power plant it would be advisable to have some control of the distribution of the power by the private concern. Is that correct?

Mr. McKELLAR. This provides that the company will control it.

Mr. CHAVEZ. But the taxpayers paid for the plant; the Government built it.

Mr. McKELLAR. Yes.

Mr. CHAVEZ. The Senate amendment provides for the distribution of the power under private control; is that correct?

Mr. McKELLAR. Yes. After the Government has built the dam this amendment provides that the power shall be turned over to the private power company.

Mr. CHAVEZ. Do I correctly understand that if we accept the language the House has provided the Government will continue to have control?

Mr. McKELLAR. Yes; it will continue to have absolute control of it, and in my judgment it should have.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. LANGER. I did not quite understand the explanation. How much did the Government spend for the dam and the improvements?

Mr. McKELLAR. I shall have to supply those figures.

Mr. BRIDGES. Mr. President, will the Senator permit me to answer that question?

Mr. McKELLAR. Yes; I shall be glad to have the Senator from New Hampshire do so.

Mr. BRIDGES. The estimated Federal Government cost is $78,800,000.

Mr. McKELLAR. Yes; $78,800,000. Yet it is now proposed that we turn it over to the Virginia Power Co.

The committee estimated that the cost will be approximately $80,000,000. Of course, the work has not yet been finished, but fifty-odd-million dollars have actually been appropriated.

Mr. LANGER. Mr. President, will the Senator yield further?

Mr. McKELLAR. I yield.

Mr. LANGER. Will the Government have anything to say about the rates, or will the rates be fixed by the State of Virginia?

Mr. McKELLAR. Very high rates have been charged in the State of Virginia—rates approximately double what the Government would charge under this project, I believe.

At the present time, although the company has made no contract, it says it will do better than it has in the past, so far as rates are concerned.

Mr. LANGER. Mr. President, will the Senator yield further?

Mr. McKELLAR. I yield.

Mr. LANGER. Did any other member of the committee take the same position that the distinguished chairman of the committee took?

Mr. McKELLAR. Does the Senator mean in regard to the motion to concur?

Mr. LANGER. Yes.

Mr. McKELLAR. Oh, yes; there are at least five that I know of. Would the Senator like me to name them?

Mr. LANGER. Yes, please.

Mr. McKELLAR. I shall be glad to: the Senator from Tennessee [Mr. McKELLAR], the Senator from Arizona [Mr. HAYDEN], the Senator from Oklahoma [Mr. THOMAS], by proxy, the Senator from Georgia [Mr. RUSSELL], and the Senator from Wyoming [Mr. O'MAHONEY]. They are the ones among the conferees. Those five have signified to me that they do not wish to hold up this bill and they do not wish this bill to fail because of this provision.

The House has passed on it twice. The chances are that if we vote to insist upon the Senate amendment, we may not be able to enact this bill at this session, and then in the next session the new Congress will have to go over this measure again. I hope to heaven the Senate will not permit that to occur.

Mr. CHAVEZ. Mr. President, will my good friend from Tennessee yield to me for a moment?

Mr. McKELLAR. I yield.

Mr. CHAVEZ. I attended the discussion and the consideration of this item before the Appropriations Committee, and there is no question as to the state of mind of the committee as a whole. The members of the committee wanted to be fair with the private power company; but as the evidence developed, it appeared that for what could be done now for 3 cents the private power company was charging 10 cents.

Of course, the representatives of the private power company said, in effect, "If we are permitted to do this, we will reduce the rate." However, that reduction could have been made by now.

Mr. McKELLAR. There is no contract or agreement to that effect; is there?

Mr. CHAVEZ. That is correct.

The private power company could reduce the rate from 10 cents to 9⅔ cents or to 9 cents, of course, and still act in accordance with that statement; but still there would not be a reduction to the 3-cent rate.

I personally think we should accept the conference report insofar as the House language is concerned.

Mr. McKELLAR. I thank the Senator.

Mr. President, I now turn to the next item, amendment No. 17, on page 13 of the bill. This is language in what is known as the Tennessee Valley Authority item in the bill. The language is as follows:

Provided, That purchases and contracts for supplies or services may be made by the Authority during the fiscal year 1951 without regard to any provision of law relating to advertising or competitive bidding.

The Tennessee Valley Authority is largely in my State; but in order to get the bill through, and because I believe in competitive bidding, I am going to move that the Senate agree with the House action. The House has passed on this item twice. I do not believe the House will change its position. Unless we agree to the motion to recede and concur, insofar as these two amendments are concerned, I doubt that any bill of this sort will be enacted at this session, and I am quite sure that the Senate wants this bill enacted. We have done a tremendous amount of work on the bill, and at this late day, it ought not to be defeated in the Senate.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. HAYDEN. I understand the time is limited. I should like to have about 5 minutes.

Mr. McKELLAR. Yes. I promised to yield to the Senator from Illinois, but I will yield to him later.

The VICE PRESIDENT. The Chair would suggest that the debate on the amendments has taken place on the motion to agree to the conference report. The report must be agreed to before any motion can be made in regard to the amendments which are in disagreement.

Mr. HAYDEN. Let us agree to the conference report.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. BRIDGES. Mr. President, is this a vote on the conference report?

The VICE PRESIDENT. That is correct.

Mr. BRIDGES. It is not a vote on the amendments which are still in disagreement.

The VICE PRESIDENT. The vote is on agreeing to the conference report, which has been agreed to by the conferees. The two amendments will have to come up separately.

Mr. BRIDGES. Is the division of time to hold on the amendments?

The VICE PRESIDENT. One hour is permitted on the report, and that includes the amendments.

Mr. BRIDGES. So there will be a full half hour allocated to the Senator from New Hampshire on the amendments, then, is that correct?

The VICE PRESIDENT. That is correct, if the Senator does not take any of it on the motion to agree to the conference report. The question now is on agreeing to the conference report.

The report was agreed to.

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 9920, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
January 1, 1950.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 4, 6, 12, and 15 to the bill (H. R. 9920), making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 1 to said bill and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"PAYMENT OF SUMS DUE DECEASED CONGRESSIONAL PERSONNEL

"When any person dies while serving as a Senator or officer or employee of the Senate, the disbursing officer of the Senate shall pay to the widow or widower of such person, or, if there is no widow or widower, to the next of kin or heirs at law of such person, any unpaid balance of salary or other sums due such person at the time of his death.

"Section 50 of the Revised Statutes shall not be effective as to persons included within the foregoing."

That the House recede from its disagreements to the amendment of the Senate numbered 5 to said bill and concur therein with an amendment as follows: In lieu of the sum of $10,000,000 named in said amendment, insert: "$7,000,000,"

That the House recede from its disagreement to the amendment of the Senate numbered 22 to said bill and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment, insert:

"CHAPTER VIII

"DISTRICT OF COLUMBIA

"(Out of revenues of the District of Columbia)

"Office of Civil Defense

"For an additional amount, for 'Office of Civil Defense,' $250,000; and appropriations granted under this head for the fiscal year 1951 shall be available for personal services without reference to the civil-service laws as related to recruitment."

That the House recede from its disagreement to the amendment of the Senate numbered 23 to said bill and concur therein with an amendment as follows: In lieu of the words "5 per centum" named in said amendment, insert: "3 per centum."

That the House insist upon its disagreement to the amendments of the Senate numbered 8 and 17 to said bill.

Mr. McKELLAR. I should like to have the amendments of the House to the amendments of the Senate, to which there is no objection, namely, those numbered 1, 5, 22, and 23, agreed to; following which I shall yield to the Senator from Arizona [Mr. HAYDEN].

The VICE PRESIDENT. The question is on agreeing to amendments of the House to the amendments of the Senate numbered 1, 5, 22, and 23.

The amendments were agreed to.

The VICE PRESIDENT. The Senator from Tennessee yields 5 minutes to the Senator from Arizona.

The Chair suggests that a motion should be made at this time in regard to amendment No. 8.

Mr. HAYDEN. Mr. President, I desire to move——

The VICE PRESIDENT. Is the Senator from Arizona now making that motion?

Mr. HAYDEN. I move that the Senate recede from its amendment No. 8.

The VICE PRESIDENT. The question is on the motion of the Senator from Arizona that the Senate recede from its amendment No. 8.

Mr. McKELLAR. Amendments Nos. 8 and 17 are both in disagreement.

Mr. HAYDEN. I will include them both.

I should like to discuss No. 8 for a moment.

The situation as I see it is this: Until the House of Representatives made an actual appropriation of money for the construction of this transmission line, the Virginia Electric Power Co. did not submit any kind of satisfactory agreements to wheel the power from Buggs Island to Langley Field, but it has now submitted something which upon its face looks like a fairly satisfactory contract. I think, however, it is the part of wisdom to arm the Department of the Interior with the money with which to commence construction of a transmission line, pending the time when an agreement of that kind indicated is finally consummated. I base that statement upon experience.

The first experience we had was when the power companies in Arkansas, Oklahoma, and Texas opposed the hooking together of the various Government dams in that area, with the idea that each power company would go to the particular dam nearest it to get the power at the bus bar. The dams in the Southwest area were hooked together. The Texas Power & Light Co., we may say, then saw the light, and made a proper wheeling contract with the Government. Subsequently, Congress made the same kind of arrangement, whereby the Government would build transmission lines in the Southwestern Power area, unless the private power companies agreed to wheel the power to municipalities, cooperatives, and to Government agencies. A satisfactory agreement was reached and last year Congress rescinded $6,000,000 appropriated for those transmission lines.

A similar situation prevailed in Colorado in the case of the Colorado public utilities. We appropriated the money for transmission lines, conditioned upon the inability of the power company to make a proper contract with the Government. The utility company made a contract. We appropriated money last year to the Bonneville Administration, for the purpose of building transmission lines in western Montana, with the understanding that if a proper agreement

were made with the Montana Power Co., the money would not be spent. The agreement has been made. There is one agreement of that kind still pending between the Montana Power Co., and the Reclamation Service which I am satisfied can be adjusted on the same basis.

If Congress arms the Department of the Interior with the money to build this line, we shall, in my judgment, get from the Virginia Power Co. a satisfactory agreement to wheel and distribute the power at a reasonable cost, an arrangement which will materially reduce the price paid by the Government heretofore for power at Langley Field.

I now yield to the Senator from Virginia [Mr. ROBERTSON].

Mr. ROBERTSON. Mr. President, the Senator, of course, knows that the Senators from Virginia, North Carolina, and other States are very much opposed to this item, yet all of us have been disturbed by the statement of the distinguished chairman of the committee that unless the Senate recedes he feels that there will be little chance of completing action on this bill. Certainly every Member of the Senate wants to put the defense needs first. Senators do not want to delay for 1 day, much less for a month, the letting of a contract, if such delay would involve bringing forward a new bill at the next session and holding the necessary hearings thereon.

The distinguished Senator from Arizona has said, if I understood him correctly, that if we get a satisfactory contract from the Virginia Electric & Power Co. to wheel the power from Buggs Island to Langley Field, or wherever the Government might want it delivered, he does not think this money should be spent for a Government transmission line to parallel the existing lines of a taxpaying utility.

Mr. HAYDEN. Mr. President, in substance, I agree with what the Senator says. In the absence, however, of authority to build the transmission line, this company has shown no indication of doing anything even resembling a fair wheeling agreement. If we get a fair wheeling agreement, we ought to treat them just as we did the Oklahoma and Texas power companies, just as we have treated the Colorado power companies, and the Montana power companies. If the contract is advantageous to the Government, if we can get a rate which will move the power to the preferred customers of the Government—and Langley Field is, of course, the outstanding preferred customer—it will save the Government money; it will avoid the necessity of constructing a new transmission line. If the private company will deliver the power in necessary quantities whenever it is needed and at a reasonable price, there would then be no necessity of making this appropriation. But I say the Government must have the ability to build the transmission line in order to assure that it gets the kind of contract which should be written.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. ROBERTSON. Would it be a fair statement of the Senator's position to say that, if those of us who are putting defense needs first do not continue this fight, but yield to the proposal, as I understand made by the distinguished Senator from Arizona, that there will be a moral obligation upon the Department of the Interior not to spend this money until it has determined whether it can obtain a desirable contract?

Mr. HAYDEN. That is exactly what was stated, in all the other cases.

The VICE PRESIDENT. The Senator's time has expired.

Mr. McKELLAR. Mr. President, will the Senator yield some of his time?

Mr. BRIDGES. Yes, but before yielding, I shall use a minute myself. The general provisions of the bill have been agreed to, and it comes down to two amendments, as to one of which I do not think there will be any controversy. The other relates to the question of a development in Virginia involving the transmission of power to Langley Field, and so on. There is an honest difference of opinion on the approach to this issue, but the committee, after hearing all the evidence, voted 13 to 5 in favor of striking out the House provision. In conference, the Senate conferees insisted on the position of the Senate. The House, yesterday, without any consideration and without any time for discussion, took the other position; so the bill now comes back to the Senate and the question is whether we will accept the House version, or will insist upon our position. That is the parliamentary situation. As to the details of the situation, I should like to yield 5 minutes to the Senator from Virginia.

The VICE PRESIDENT. The Senator from Virginia is recognized for 5 minutes.

Mr. ROBERTSON. Mr. President, I should like to summarize the issues involved. We are having a power plant built at Buggs Island, which is partly in Virginia and partly in North Carolina. It has been a long pull to get the plant built. It was sponsored by the Roanoke River Development Basin. Every sponsor and every supporter of the program contemplated that the power would be used in the basin.

Last fall, when a supplemental defense bill came up, the Department of the Interior had inserted in the bill an item for the construction of 146 miles of transmission line from Buggs Island to Langley Feld. The line would parallel for the most part existing lines of a privately owned, taxpaying utility, which has always served Langley Field and will always be glad to do so. The claim was asserted that it was a defense move. However, the Defense Department said they never heard of it. The NACA said they did not sponsor it. They said they knew nothing about it. They said, "We want the power and we want it at a cheap rate. It is immaterial to us whether we get it from the Virginia Electric & Power Co. or from Buggs Island." They are now getting it from the private company.

Buggs Island would not come into production until early 1953. Unless the projected development at Buggs Island is doubled the current consumed at Langley Field would take every kilowatt of power from Buggs Island, and the rural areas and the REA's in Virginia and North Carolina would be completely denied the cheap Government power which we plan to make available to them. There would be no power left, because it would produce less than 100,000 kilowatts, and it would not be firm power. Representatives of Langley Field have stated that in 1953 there would be times when they would need 150,000 kilowatts.

On December 12, before the House acted, the Virginia Electric & Power Co. offered a new contract to the Government at Langley Field. They testified before us that in their opinion the rates under that contract were less than the contract offered by the Southeastern Power Administration. On December 20, the power company wrote a letter to Langley Field and said, "Since we offered you this agreement on December 12 you have received a proposal from Southeastern. We will give you the exact terms that Southeastern has offered to you."

That is the reason we asked the Committee on Appropriations not to appropriate the money in the present emergency, particularly in view of the scarcity of copper.

What happened in the House? The subcommittee was divided 3 to 3. A motion was made to take the item out of the bill, but it failed. The full committee voted to put it into the bill by a vote of 21 to 17. It came up on the floor of the House, and not a word was said about it. It went through. Then it came to the Senate. The Senate committee voted to delete the item. That action was confirmed without a record vote on the floor of the Senate. The House conferees would not accept the action of the Senate. The item went back to the House yesterday. What happened there? Not a word was said about it. Someone in the gallery said that when the House acted on the amendment on a voice vote, Representative CANNON voted "aye," Representative TABER voted "no," and the Speaker said, "The ayes have it." That is all there was to it.

The VICE PRESIDENT. The time of the Senator from Virginia has expired.

Mr. ROBERTSON. May I have an additional half minute?

Mr. BRIDGES. I yield an additional minute to the Senator from Virginia.

The VICE PRESIDENT. The Senator from Virginia is recognized for 1 minute.

Mr. ROBERTSON. I do not want to take too long. I feel that we are called upon to compromise on a very fundamental principle. I believe that if we had the time to explain the merits of the case the item would be completely eliminated from the bill.

However, we do not have the time to do so. All of us must leave in approximately an hour to attend our respective caucuses. We must finish action on the bill today. I merely wish to say that if in the present emergency we are forced to compromise in behalf of our defense on a principle for which we have stood I hope it will be clearly understood that

there will be no shilly-shallying with us by the Department of Interior if we say, "You are not to spend this money until we have seen whether you can get a suitable contract." We expect them not to spend the money until such time, and the contract has already been offered.

Mr. BRIDGES. Mr. President, I yield 10 minutes to the Senator from Oregon.

The VICE PRESIDENT. The Senator from Oregon is recognized for 10 minutes.

Mr. CORDON. Mr. President, I wish to say first to my colleagues that I hope they will keep in mind that we have before us a $20,000,000,000 supplemental appropriation bill for defense purposes. The amendment now under discussion provides funds for a first installment of some $7,000,000 for the construction of parallel transmission lines from Buggs Island generating plant to Langley Field, for the purpose of supplying electric energy to a Government defense installation at Langley Field.

Two offers have been made by the Virginia Electric & Power Co. The undisputed testimony before the committee was that the total necessity at Langley Field could be met by the Virginia Electric Power Co. from generating sources which it now has in existence or under construction, at a time prior to the time the electricity would be needed, for less money than the Federal Government could supply it from Buggs Island.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CORDON. I have only 10 minutes. If the Senator will ask a question, I shall be glad to yield for that purpose.

Mr. McKELLAR. The Senator said there is no proof to the contrary. The Senator remembers the proof to the effect that the Virginia Co.'s lines cannot at present carry the required power to Langley Field, and the company would have to construct new lines in order to do so.

Mr. CORDON. The testimony is that two additional lines are now being constructed which would carry the power, and another would be constructed if the offer were accepted.

Mr. President, I think the RECORD should show that I believe I know as much about the situation as any other Senator on the floor. I have studied the subject, and am prepared to prove any statements I make with respect to it. When I say an offer has been made, I mean an offer has been made in writing to the NACA, and the offer is good at this minute. If we look at the issue solely from the standpoint of defense, there is nothing which would back up or justify this kind of appropriation.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. CORDON. I am sorry I cannot yield within the time I have allotted to me.

Mr. CHAVEZ. I merely wanted to keep the RECORD straight.

Mr. CORDON. I am sorry. If I had the time, I would be very happy to yield. There are some other factors involved. There is the Buggs Island Dam, where some 208,000 kilowatts will be generated in 1953. The Government does have the investment. Some lines ultimately will be needed, whether they are built by the Government or by the Virginia Electric Power Co. under a wheeling agreement, as has been done in Montana, Oklahoma, and Texas. Those factors are all in this picture; but from the standpoint of the defense factor, the undisputed testimony with reference to the offer which has been made is that the company is ready, able, and willing to furnish the necessary power at a rate less than the Government's rate. That is in the record.

Mr. CHAVEZ. Mr. President——

Mr. CORDON. Coming to the next point, the question of the transmission of the Buggs Island power, the testimony is that the company has offered to enter into a wheeling agreement on the basis of the Montana, Colorado, and Oklahoma contracts. Let me say at this point that in my mind the testimony is equally clear that the company could have made the offer long ago and did not. Unquestionably the company was forced into making the offer by the fact that the Government power was there and was going to be moved.

I have no brief whatever for the Virginia Electric Power Co. However, it is an institution which is financially able to carry out its commitments. It has a record of carrying out its commitments. It has made an offer in writing which would answer the necessities of the Government for power at Langley Field. Whether we can rely on the testimony as to the contents of the offers being exactly the same, I cannot tell the Senate. I am not an electrical engineer. The testimony was that they were. The testimony will be found on pages 342 and 343 of the hearings.

Mr. CHAVEZ. Mr. President——

Mr. CORDON. I am sorry I cannot yield, because I do not have the time. I regret it.

Mr. CHAVEZ. I am just wondering whether the Senator——

The VICE PRESIDENT. The Senator from Oregon declines to yield.

Mr. CHAVEZ. Very well. He is not required to do so.

Mr. CORDON. I wish I could yield. I regret that I do not have the time to go into the facts. We are face to face with this question. This is the last day of the session. On two occasions the House acted without any knowledge of the facts. In my opinion, the thing that ought to be done is to save to the Federal Government $7,000,000 which it does not need to spend at a time when it is called upon to spend billions of dollars for defense purposes.

On the other hand, if at this time we take the action which I believe is the proper action, the bill must go back to the House and probably into another conference. That cannot be done. I recognize that fact when I say that I feel that we should have before us at this time the status of the matter as the record itself discloses it. I have tried in a few words, probably with oversimplification, to present it. I shall not oppose the motion to recede. I do not think it ought to be done. However, I understand that there is a $20,000,000,000 bill hanging in the balance. That is more important than even the total of $7,000,000 involved in building some transmission lines in Virginia.

The Senator from Arizona [Mr. HAYDEN] and I have worked on these problems time after time. I join with him in voicing the hope that when this money is made available the Interior Department will understand that it is made available solely for the purpose of building lines if the contracts mentioned cannot be executed. When we say that we mean contracts based upon the Texas, Oklahoma, Colorado, and Montana wheeling contracts. That does not mean giving control over Government power to anyone but the United States Government. The people get the benefit of the power just as they would if the Government were to spend its dollars to do the same thing.

Having made that statement, I shall not oppose the motion, although I regret that we do not have time to present the entire case and reach a decision which, in my opinion, the facts warrant.

Mr. BRIDGES. Mr. President, I yield 3 minutes to the Senator from North Carolina [Mr. HOEY].

Mr. HOEY. Mr. President, I was very strongly in favor of the amendment which was adopted by the Appropriations Committee. I thought it was very proper action. The amendment was adopted by a vote of 13 to 5. I do not happen to be a member of that committee, but I am familiar with the entire situation.

I am opposed to the Government building transmission lines or engaging in private business anywhere if private enterprise will meet the conditions and respond to the needs.

The Senator from Arizona [Mr. HAYDEN] has very strongly stated the position of the Senate with reference to the other contracts. I believe that the same policy should be pursued in this case. At this time I shall not oppose adopting what the House has done, because I think to do otherwise would jeopardize the entire appropriation bill. However, I think it ought to be distinctly understood that the mind and thought of the Senate is not that the Government should go into private business and build transmission lines when private enterprise is willing to do it and wheel the power at a price comparable to that which the Government could achieve by its own action.

The reason I say that is that there is a very definite disposition in the Interior Department to go after private utilities and interfere with private companies. In my opinion, no one can dispute that fact. I think it is going too far in my own State, where we are served by the Bugg's Island development, which is in Virginia. We have all supported that development.

There is a proposal pending by which the Virginia Electric Power Co. would build a big power plant in North Carolina at Roanoke Rapids. The Power Commission has heard the case, and the examiner has approved the project. Yet the Interior Department is going before the Power Commission and trying to defeat the effort of this company to build a dam to furnish power which is very

greatly needed. The State of North Carolina, the State of Virginia, the REA's, and many private owners need the power. This company has offered to build a dam. The Federal Power Commission examiner, after hearing the case for weeks and months, decided that it should be built. Yet the Interior Department has intervened before the Federal Power Commission and is trying to stop the private company from building the dam, because that is one of the projects which it had hoped some day to include in the Bugg's Island project. The beginning of construction would not be reached before 1952 or 1953. It is said that there is a great scarcity of power in that section; yet the Department of the Interior is deliberately stalling and trying to prevent the building of a dam at Roanoke Rapids. I believe that the policy of the Interior Department is contrary to the policy which the Senate has adopted, which the Congress has heretofore approved, and which the public welcomes.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HOEY. I yield.

Mr. SALTONSTALL. As one of those who voted in support of the position which the Senate originally took, I have listened with great interest to what the Senator has just said. What I cannot understand is this: If we now recede, as the Senator from North Carolina has urged, how can the position which we have heretofore taken be retrieved? Will it not be completely water over the dam? If we authorize the first appropriation, we must authorize the remaining appropriations, must we not?

Mr. HOEY. I agree with the Senator. However, I feel that probably we ought not hold up the entire appropriation bill at this late hour merely because of this item.

As the Senator from Arizona [Mr. HAYDEN] has said, there should be an understanding that this money shall not be used for the purpose of building transmission lines if satisfactory contracts can be obtained.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HOEY. I yield.

Mr. TAFT. Why should the Senate yield, rather than the House?

Mr. HOEY. I thoroughly agree with the Senator. However, the question is one of limitation of time.

Mr. TAFT. The House is in session. It has not yet passed the War Powers Act. I see no reason why it cannot recede.

Mr. HOEY. I should be entirely willing to take that position. The only thing I was interested in was not jeopardizing the entire appropriation bill.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HOEY. I yield.

Mr. SALTONSTALL. If the Senator's position is correct, what steps are going to be taken toward getting the additional power in his State about which he is talking, and the dam which he wishes to see built?

Mr. HOEY. That is not involved, I will say to the Senator.

The VICE PRESIDENT. The time of the Senator from North Carolina has expired.

Mr. HOEY. Mr. President, will the Senator from New Hampshire yield me half a minute more?

Mr. BRIDGES. Yes.

Mr. HOEY. As I said, that is not involved in the appropriation. What I was talking about was the fact that the Interior Department is taking an attitude of antagonism to private enterprise and private utilities, and undertaking to undermine them wherever it has the opportunity. In my State the additional dam which the private company wants to build is not involved in this appropriation at all. That is merely a thing for which it hopes to obtain an appropriation in the future, which I shall oppose when it comes up.

Mr. BRIDGES. Mr. President, I yield 2 minutes to the Senator from Michigan [Mr. FERGUSON] to address a question to the chairman of the committee.

Mr. FERGUSON. Mr. President, the question I wish to ask the Senator from Tennessee, is this: Would it be possible for the Senator from Tennessee to talk to the Secretary of the Interior and obtain from him an understanding that before he will proceed to build this line with the Government's money he will notify the Senate, and wait at least 30 days? Can the Senator obtain such an understanding so the Senate may act today on the emergency legislation?

Mr. McKELLAR. Mr. President, I have not talked with the Secretary of the Interior at all on the subject.

Mr. FERGUSON. Can the Senator talk to him and come back to the floor with an answer?

Mr. McKELLAR. I do not think so. We have just a few minutes left. If the Senator wants to vote against the report, he can do so; that is all.

Mr. CHAVEZ. Mr. President——

The VICE PRESIDENT. The time is divided between the Senator from Tennessee [Mr. McKELLAR] and the Senator from New Hampshire [Mr. BRIDGES]. The Senator from Tennessee has 13 minutes left. The Senator from New Hampshire has 5 minutes left.

Mr. McKELLAR. Mr. President, I promised to yield to the Senator from Illinois [Mr. LUCAS]. I wish to make that statement for the benefit of the Senator from New Hampshire.

Mr. CHAVEZ. Mr. President, will the Senator yield me 1 minute?

The VICE PRESIDENT. Does the Senator from Tennessee yield to the Senator from New Mexico?

Mr. McKELLAR. Yes.

Mr. CHAVEZ. Why should we ask the Secretary of the Interior what he is going to do? We are passing the law. Is that not correct? I should like to have some Senator answer that question. Why should we ask any Cabinet member what he is going to do?

Mr. FERGUSON. If the bill is passed as it now reads there would be no strings attached to the money. He could use it tomorrow.

Mr. CHAVEZ. Except that the Senator from Arizona [Mr. HAYDEN] has told us over and over—and I trust him to the full extent—that unless actions are taken in a certain way they cannot be taken at all. Is that correct?

Mr. HAYDEN. If I had time——

The VICE PRESIDENT. The time of the Senator from New Mexico has expired.

Mr. McKELLAR. Mr. President, has the Senator from Michigan concluded?

Mr. FERGUSON. Yes.

Mr. McKELLAR. I now yield to the Senator from Illinois [Mr. LUCAS].

The VICE PRESIDENT. The Senator from Illinois is recognized for 12 minutes.

FAREWELL ADDRESS BY SENATOR LUCAS

Mr. LUCAS. May I ask the Senator from New Hampshire if he has any time left?

Mr. BRIDGES. I think I have 5 minutes.

Mr. LUCAS. I may want to ask the Senator to yield me a minute.

Mr. BRIDGES. I yield to the Senator from Illinois the additional time he may need.

Mr. LUCAS. Mr. President, the most interesting and fruitful period of my life will be concluded on tomorrow. For 12 years I have had the high honor of representing the State of Illinois in the foremost Legislative Hall in all the world.

The people of the great State of Abraham Lincoln and Stephen A. Douglas were kind enough to entrust to me legislative power and authority that can only come to one living in a democracy such as ours.

Tomorrow I relinquish that trust. I return it to the people. They are the Government. They give—they also take away. May such a cherished and fundamental right remain inviolate forever. If so, our Republic will approach immortality.

In leaving this hallowed chamber, consecrated so long ago to the cause of liberty, I do so with many solemn recollections. When I entered the Senate in 1939 the world was moving into the shadows of a global war. Since that hour I have been privileged to take part in many great decisions involving the welfare of my fellow Americans and the fate of mankind. In lifting my voice and casting my vote upon every occasion, I have kept one great objective before me—the cause of world peace.

Mr. President, I shall never forget the strong and affectionate ties which bind Members of this body, irrespective of their political affiliations. There is a feeling of fellowship which permeates this Legislative Hall that does not exist in any other body of men in all the world. To Members on both sides of the aisle I express my gratitude for their years of tolerance, forebearance, and cooperation.

However, I would not for one moment want to leave the impression that all my legislative days have been filled with

sunshine and joy. I have had some painful collisions with some of my distinguished colleagues. But, in the main, the colloquies and debates have been tempered with a strict observance of justice and public faith and in keeping with the best traditions of the past.

So, Mr. President, as I say farewell, I do it knowing that my long association with so many able public servants has made me a better and more useful American. A study in government over such a long period of time has given me wide knowledge of national and international affairs. The experience gained in these troubled years qualifies me to compare our beloved country with strife-torn, poverty-ridden, and tyrannical nations in other parts of the world. Any thoughtful and wide awake patriot who thoroughly understands that sharp contrast between our Nation and others, lives with the words in his heart, "Thank God, I am an American." But to those of us upon whom has rested the grave responsibility of solving the world-shaking problems brought about by despots, tyrants, and dictators, the great privilege of being an American penetrates to human depths which cannot accurately be measured.

Yes, to be an American is the greatest privilege that can come to a human being. Millions behind the iron curtain, millions in far-off desolated lands, tortured and miserable souls, yearn for an opportunity to find a refuge from their sorrows and troubles on the blessed soil of America.

But, Mr. President, the things that have made this country the envy of the world—our cherished institutions, our respect for the dignity of the human being, our high standard of living—are in mortal danger of destruction. Communism, the antithesis of democracy, is on the march throughout the world. The Communist ideology is striving desperately for supremacy everywhere. The seriousness of this cannot be underestimated. The smug, the complacent, the selfish, and the obstructionist must awaken to the grave dangers which lie ahead. We cannot live on the glories and the accomplishments of the past, renowned as they are. Free peoples everywhere face a supreme challenge by those cruel forces which are pledged to destroy our destiny. The lofty principles of God and the rights of man demand that we meet and defeat that challenge.

Mr. President, if we have faith in the future of our country and can find a formula for unity, I submit that another great war is not inevitable. With this combination, we can preserve our Nation through sacrifice and toil so that the generations yet to be born will be endowed with a heritage which equals or surpasses that which was handed down to us by our fathers.

Mr. President, one of the ways to reach this coveted goal is for those high in the councils of the Nation, whether they be Democrats or Republicans, in concord and in unity, to fight the hideous creeping creature of communism wherever it may be found threatening directly or indirectly the safety and security of our Republic. If such an ungodly concept of human affairs should ever find its wicked and monstrous way into a republic that was founded on the theory that we are a nation of laws and not of men, then the last best hope of freemen is doomed. Folly and madness will be the forerunner to a life of slavery. I believe with all of my heart that "resistance to tyrants is obedience to God."

Mr. President, it took the Pearl Harbor disaster to bring about national unity in 1941. Will it be necessary for the Kremlin to drop a bomb on Washington before we obtain the unity we ought to have in this crisis? Is there a Senator who does not believe that the Communists, working out of Moscow, seek to dominate the world? Do not the huge land army and air force of the Russians, along with the Soviet-armed and dominated satellite nations, admonish us to take all fair and honorable means to meet such potential aggression?

With the liberty of every loyal American at stake in this cold and hot war, it seems to me that the time for idle chatter is over. The hour has passed when men in high positions can, for the sake of some political advantage, without jeopardizing their country's safety, fire the imagination of the emotional and the uninformed with reckless and irresponsible charges. The hour has passed when assessment of blame for yesterday's purported mistakes on foreign policy should be constantly resurrected. If some must condemn, I respectfully request that such pronouncements be withheld until a less dangerous day arrives. I ask this not in the interest of any political party but in the name of a united America—yes, in the interest of the soldiers in Korea who now are bearing the brunt of battle with their blood and their lives. In this international crisis the political veneer corroding our foreign policy should be removed lest the body politic suffer a national disaster.

In the conduct of our foreign policy, we are dealing with the lives of our fellow Americans, and we are under a deep obligation to live up to the highest standards. When men are dying in the wastelands of Korea in defense of a great principle based upon world peace and justice, we should disavow every prejudice, forget personal pique and ambition, remove every political roadblock, and strike a blow for national unity that will resound for years in the capitals of those nations where tyrannical masterminds are plotting to destroy us all. Such unity will remove frustration and fear at home and will tell those who scheme against us that they can expect no aid or comfort from a divided country. It will lift the morale of our allies in the western democracies, as well as the morale of those in other parts of the world who believe in our cause. While unity at home is indispensable, unity among our allies, both in Europe and Asia, is also vital to the success of the free world.

Mr. President, I am one who believes that at this hour we cannot refuse to accept the responsibilities of world leadership. We cannot fail to fulfill the international commitments and obligations we have made. If we should falter and fail at this crucial hour of history, we would hand over the world to Stalin and his ruthless lieutenants. We would lose our friends and allies everywhere. Never before in the history of this Republic has America needed friends and allies as America needs them now. If Europe and the Asiatic nations should fall into the hands of the Communists, America would ultimately stand alone—a garrison state, surrounded by a military wall of iron. Regimentation and austerity over a long period of time would be inevitable. We would bear the crushing burden of an immense army, navy, and air force without any military assistance from our friends across the sea. Such a course would enable the Soviet leaders to attain one of their great objectives in their master plan for world domination. So long as Europe remains free, the Western Hemisphere is safe from Communist domination.

Never let it be said by future historians that Americans—free Americans, if you please—abandoned the freedom-loving peoples throughout the world by failing to unite on our foreign policy.

Mr. President, I would not attempt to say to the Members of this august body that any one man or group of men has the complete answer to what our foreign policy should be. We all understand that under our Constitution the Commander in Chief has the principal responsibility for the formation of our foreign policy. I recognize the different views which honorable men have upon the most intricate and delicate questions which this Nation has ever faced. I also recognize the fact that Congress has a voice in the making of the foreign policy, through both the treaty-making power and the appropriations. I firmly believe that the administration, through its leaders, and the leaders of the minority in Congress should lay aside every political or other consideration, and should compromise their differences on foreign policy. I doubt that there are 10 Members of the United States Senate who today would agree on every detail of a program to solve our international problems. But, Mr. President, we cannot win a war, nor can we win a peace, hopelessly divided. If we remember that, we can, as Americans, unite and achieve a noble victory for all mankind.

Mr. President, this may be a voice crying in the wilderness, but I speak from long experience and the deep conviction that unity is indispensable if permanent peace is to be obtained. I plead in this hour—in this desperate hour—of our existence that politics stop at the water's edge, both in the executive and the legislative branches of our Government. Give us clear thinking, cool heads, high purpose, firm resolve, unselfish cooperation in the uncertain days ahead. Let the Executive give to the American people all of the information which is possible without jeopardizing our safety and security. Surely there must be a common denominator upon which virtually all members of both branches of Congress could agree with the executive branch of the Government in the solution of European and Asiatic problems.

Mr. President, some may say that I have painted a pessimistic picture, but to me it is a tragically realistic one. Nevertheless, I am and always will be an optimist about the future of America. I could not be otherwise, having been the recipient of her great opportunities. Throughout my career in the Senate and in public life, I have opposed those who preached the gospel of despair. I have opposed the little men of little faith who lack confidence in the strength and the destiny of America. I have opposed the cynics and the disbelievers—those who declared that we could not build 100,000 planes a year; those who declared that we could not defeat Germany and Japan; those who wanted to get down on their knees and surrender to the forces of evil. Mr. President, I have no doubts about our ultimate victory over any ungodly and uncompromising foe if we maintain essential unity and our brotherhood as Americans. If we can have that kind of unity, there is no aggressor wicked and powerful enough to be capable of standing against the resourceful, determined, and intelligent efforts of 150,000,000 free Americans who have faith in Almighty God and the flag. This is the kind of unity that will bring about an everlasting peace based upon law and justice.

Mr. President, we are passing through the most extraordinary and dangerous days since the birth of this Republic. We can destroy all of the things that made America great if we continue to quarrel among ourselves. Let us unite and face the tremendous task which must be done in the spirit of patriotism and forbearance. Let us unite under a flag which has stood, and will ever stand, for the liberties of the human race.

[Applause, Senators rising.]

The VICE PRESIDENT. The time of the Senator from Illinois has expired.

ADDITIONAL SUPPLEMENTAL APPROPRIATIONS, 1951—CONFERENCE REPORT

The Senate resumed the consideration of the motion of Mr. HAYDEN that the Senate recede from its amendments Nos. 8 and 17, to the bill (H. R. 9920) making additional supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

The VICE PRESIDENT. The Senator from New Hampshire is recognized for 3 minutes.

Mr. BRIDGES. Mr. President, the issue involved here is a question of private enterprise versus operation by the Federal Government.

Insofar as public power is concerned, when private enterprise refuses to give service for a comparable figure, then, of course, the Federal Government is entitled to enter the field, and should do so. However, when private enterprise is willing to render the same service for a comparable price, in these days of war in Korea, when there is such a tremendous burden on the finances of the Federal Government, we have no obligation to have the Federal Government enter the field, and, in my judgment, no right to have the Government do so.

That is the issue; and on that issue I ask for the yeas and nays.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. BRIDGES. I yield.

Mr. SALTONSTALL. Does the Senator, in voting on this question, understand that the House is still in session, so that there is an opportunity for further discussion of this subject without holding up the entire military appropriation bill?

Mr. BRIDGES. I do. This is not a question of being for or against the military bill, but it is a question of giving the House another opportunity to pass on this issue.

Mr. McKELLAR. Mr. President, I take issue with the Senator on that point, and I ask for the yeas and nays.

The VICE PRESIDENT. Let the Chair state the question.

Does the Chair correctly understand that the motion includes both amendments?

Mr. McKELLAR. Yes; both amendments.

The VICE PRESIDENT. The question is on agreeing to the motion——

Mr. WHERRY. Mr. President, I think the only request for the yeas and nays has been in regard to amendment numbered 8.

Mr. McKELLAR. Mr. President, I made the request for the yeas and nays in regard to both amendments, and so did the Senator from Arizona.

Mr. HAYDEN. Mr. President, I suggest that both amendments be acted on at the same time.

The VICE PRESIDENT. Only by unanimous consent can both amendments be voted on at the same time.

Is there objection?

Mr. BRIDGES. No, Mr. President——

Mr. WHERRY. Let us vote on the amendments one at a time.

The VICE PRESIDENT. Objection is heard.

The question is on agreeing to the motion of the Senator from Arizona that the Senate recede from its disagreement to amendment numbered 8, which is the Southeastern Power amendment.

On this question the yeas and nays have been demanded. Is there a sufficient second?

The yeas and nays were ordered.

Mr. WHERRY. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Alken	Hayden	Martin
Anderson	Hendrickson	Millikin
Benton	Hickenlooper	Morse
Brewster	Hill	Mundt
Bricker	Hoey	Murray
Bridges	Holland	Neely
Butler	Humphrey	O'Conor
Byrd	Hunt	O'Mahoney
Carlson	Ives	Pastore
Chapman	Jenner	Pepper
Chavez	Johnson, Tex.	Robertson
Clements	Johnston, S. C.	Russell
Connally	Kefauver	Saltonstall
Cordon	Kem	Shoeppel
Donnell	Kerr	Smith, Maine
Douglas	Kilgore	Smith, N. J.
Dworshak	Knowland	Smith, N. C.
Eastland	Langer	Sparkman
Ecton	Lehman	Stennis
Ellender	Long	Taft
Ferguson	Lucas	Taylor
Flanders	McCarran	Thye
Frear	McClellan	Tobey
Fulbright	McFarland	Watkins
George	McKellar	Wherry
Gillette	McMahon	Wiley
Green	Magnuson	Williams
Gurney	Malone	Young

The VICE PRESIDENT. A quorum is present. The question is on agreeing to the motion of the Senator from Arizona that the Senate recede from its amendment No. 8. Those who favor the motion to recede will vote "yea" and those who are opposed to the motion will vote "nay," when their names are called.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. Am I correct in saying that a vote "nay" means a vote to maintain the Senate's position?

The VICE PRESIDENT. A vote "nay" means not to recede from the Senate's position.

Mr. McKELLAR. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McKELLAR. A vote "yea" is a vote that will mean passage of the bill, is it not?

The VICE PRESIDENT. The Chair thinks Senators are intelligent enough to know what they are voting on.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. SALTONSTALL. Will the Chair inform the Senate whether the House of Representatives is still in session?

The VICE PRESIDENT. In the view of the Chair, that is not a parliamentary inquiry. Furthermore, the Chair does not know.

The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. LUCAS. I announce that the Senator from Colorado [Mr. JOHNSON] is unavoidably detained on official business.

The Senator from South Carolina [Mr. MAYBANK], the Senator from Pennsylvania [Mr. MYERS], the Senator from Oklahoma [Mr. THOMAS], the Senator from Utah [Mr. THOMAS], and the Senator from Maryland [Mr. TYDINGS] are necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Washington [Mr. CAIN] and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Indiana [Mr. CAPEHART], the Senator from California [Mr. NIXON], the Senator from Massachusetts [Mr. LODGE], and the Senator from Wisconsin [Mr. MCCARTHY] are necessarily absent.

The result was announced—yeas 43, nays 41, as follows:

YEAS—43

Alken	Hayden	Magnuson
Anderson	Hill	Morse
Benton	Humphrey	Murray
Chapman	Hunt	Neely
Chavez	Johnson, Tex.	O'Mahoney
Clements	Johnston, S. C.	Pastore
Connally	Kefauver	Pepper
Cordon	Kerr	Russell
Donnell	Langer	Sparkman
Douglas	Lehman	Taylor
Frear	Long	Tobey
Fulbright	Lucas	Wiley
George	McFarland	Young
Gillette	McKellar	
Green	McMahon	

NAYS—41

Brewster	Hickenlooper	O'Conor
Bricker	Hoey	Robertson
Bridges	Holland	Saltonstall
Butler	Ives	Schoeppel
Byrd	Jenner	Smith, Maine
Carlson	Kem	Smith, N. J.
Dworshak	Kilgore	Smith, N. C.
Eastland	Knowland	Stennis
Ecton	McCarran	Taft
Ellender	McClellan	Thye
Ferguson	Malone	Watkins
Flanders	Martin	Wherry
Gurney	Millikin	Williams
Hendrickson	Mundt	

NOT VOTING—12

Cain	McCarthy	Thomas, Okla.
Capehart	Maybank	Thomas, Utah
Johnson, Colo.	Myers	Tydings
Lodge	Nixon	Vandenberg

So Mr. HAYDEN's motion to recede from amendment No. 8 was agreed to.

The VICE PRESIDENT. The question now is on agreeing to the motion of the Senator from Arizona [Mr. HAYDEN] to recede from amendment No. 17.

The motion was agreed to.

The VICE PRESIDENT. That completes action on the conference report.

ORDER OF BUSINESS

Mr. NEELY obtained the floor.

Mr. GEORGE. Mr. President, will the Senator from West Virginia yield to me for a moment, without his losing the right to proceed?

Mr. NEELY. On that condition, I yield.

Mr. LUCAS. Mr. President, will the Senator from Georgia permit me to make an announcement before Senators leave the Chamber?

Mr. GEORGE. Certainly.

Mr. LUCAS. Some time ago the Democratic Members of the Senate arranged for a caucus to be held this afternoon at 2 o'clock. However, it may be that the Senate will remain in session a little beyond that hour. I have conferred with a number of the Democratic Members of the Senate, and it is agreeable with all of them that we meet in our conference at 20 minutes after the adjournment this afternoon. It may be 3 or 4 o'clock before we get into the conference.

Mr. WHERRY. Mr. President, will the majority leader permit a question?

Mr. LUCAS. I yield to the Senator.

Mr. WHERRY. Does the majority leader wish to make any statement about a call of the calendar?

Mr. LUCAS. I do not believe we will have time to call the calendar today.

Mr. McCLELLAN. May I ask the majority leader how long he expects the Senate to remain in session?

Mr. LUCAS. I do not have any particular hour in mind. We have one more conference report to consider.

Mr. McCLELLAN. Did I understand the majority leader correctly to say that when the Senate adjourns for the caucus, it will mean final adjournment?

Mr. LUCAS. That is correct.

Mr. McCLELLAN. There is the war powers bill, which the Senate passed a few days ago and which the House is considering today, and I do not believe it would be advisable for an adjournment to be taken until there had been opportunity to act on that measure.

Mr. LUCAS. I thank the Senator for that information. Under those circumstances we will merely recess, to meet at the call of the Chair.

Mr. McCLELLAN. I believe that would be advisable, because that legislation is important.

LEAVE OF ABSENCE

Mr. WHERRY. Mr. President, will the Senator from Georgia permit me to present a unanimous consent request?

Mr. GEORGE. I yield to the Senator for that purpose.

Mr. WHERRY. As all of us know, the junior Senator from Washington [Mr. CAIN] underwent a rather serious operation in mid-December. It will please his friends to know that his recovery has been rapid, and that he will soon be fully recovered.

It is necessary, however, that the Senator from Washington take some rest before returning to his work in the Senate. I ask unanimous consent that the Senator from Washington may be absent from sessions of the Senate until January 22 next.

The VICE PRESIDENT. The Chair is not certain that the Senate can in one session of Congress grant a Senator leave of absence for the next session.

Mr. WHERRY. Mr. President, I ask that the Senator from Washington be granted permission to be absent from the Senate during the remainder of the Eighty-first Congress.

The VICE PRESIDENT. Without objection, it is so ordered.

AMENDMENT OF SECTION 120 OF THE INTERNAL REVENUE CODE

Mr. GEORGE. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 2183, House bill 7303, to amend section 120 of the Internal Revenue Code.

The VICE PRESIDENT. Is there objection to the request of the Senator from Georgia?

There being no objection, the Senate proceeded to consider the bill (H. R. 7303) to amend section 120 of the Internal Revenue Code, which had been reported from the Committee on Finance with amendments, on page 1, line 8, after the word "by," to strike out "this act" and insert in lieu thereof "section 1," and after line 10, to insert:

SEC. 3. (a) Section 3930 (a) of the Internal Revenue Code (relating to salary, etc., of the General Counsel for the Department of the Treasury) is amended by striking out "$10,000" and inserting in lieu thereof "$15,000."

Mr. GEORGE. Mr. President, I ask that the Senate reject the committee amendments to the bill.

The VICE PRESIDENT. The question is on agreeing to the committee amendments.

The amendments were rejected.

The VICE PRESIDENT. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

CHILDREN BORN OUT OF WEDLOCK

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1122) relating to children born out of wedlock, which were, on page 3, line 4, strike out all after "Counsel" down to and including "truth" in line 7, and insert "to determine the validity"; on page 3, line 9, strike out all after "believe" down to and including "believe" in line 14; on page 3, line 15, strike out "thereof" and insert "of the child in question"; on page 3, lines 15 and 16, strike out "by such officer"; on page 3, line 24, after "necessary" insert "by the court"; on page 4, lines 13 and 14, strike out "Washington Asylumn and" and insert "District"; on page 5, line 4, strike out "shall" and insert "may"; on page 5, line 5, after "public", insert a comma and "and shall do so"; on page 5, line 15, strike out "shall" and insert "may"; on page 5, lines 15 and 16, strike out "the payment of annual amounts, equal or varying," and insert "payments"; on page 5, line 21, strike out "the", where it appears the first time, and insert "a"; on page 5, line 21, strike out "wherein he resides through" and insert "of"; on page 6, lines 2 and 3, strike out "upon petition of any party in interest,"; on page 6, line 5, strike out "child. Hearing on such petition" and insert "child: *Provided, however,* That a hearing"; on page 6, line 16, strike out "may" and insert "shall"; on page 6, line 21, after "of", insert "any"; on page 6, line 22, after "may", insert "revoke probation and"; on page 6, line 23, after "year", insert "at any one time"; on page 6, line 23, strike out "the" where it appears the second time and insert "a"; on page 7, line 1, after "judgment", insert "or for commitment for further default"; on page 7, line 3, strike out "suspend sentence" and insert "set aside commitment"; on page 7, line 3, after "and", insert "again"; on page 7, line 15, strike out "for"; on page 7, line 15, strike out "provided" and insert "ordered"; on page 8, line 3, strike out "at any time"; on page 8, line 6, strike out "the" and insert "and"; on page 8, line 21, strike out "the precinct wherein he resides, through the" and insert "a precinct of the"; on page 9, line 11, strike out "approved voluntary agreements" and insert "accept voluntary payments"; on page 9, lines 12 and 13, strike out "and to accept payments made pursuant thereto"; on page 9, line 13, after "and", insert "to"; on page 11, line 12, strike out "attorneys, and the" and insert "attorneys. The"; and on page 11, line 16, after "act", insert a comma and "and to the Bureau of Vital Statistics as provided in section 16 (a) hereof."

Mr. NEELY. Mr. President, I ask unanimous consent that the Senate concur in the House amendments to the bill (S. 1122) relating to children born out of wedlock.

Mr. WHERRY. Mr. President, reserving the right to object—and I do not intend to object—I hope the Senator will state the reason why it is necessary to bring up the subject at this time.

Mr. NEELY. Mr. President, it is not absolutely necessary but it is entirely proper to dispose of this matter today. The bill was passed by the Senate sev-

[PUBLIC LAW 911—81ST CONGRESS]

[CHAPTER 1213—2D SESSION]

[H. R. 9920]

AN ACT

Making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, namely:

CHAPTER I

LEGISLATIVE BRANCH

HOUSE OF REPRESENTATIVES

For payment to Mary Watts Meyer, widow of Herbert A. Meyer, late a Representative from the State of Kansas, $12,500.

PAYMENT OF SUMS DUE DECEASED CONGRESSIONAL PERSONNEL

When any person dies while serving as a Senator or officer or employee of the Senate, the disbursing officer of the Senate shall pay to the widow or widower of such person, or, if there is no widow or widower, to the next of kin or heirs at law of such person, any unpaid balance of salary or other sums due such person at the time of his death.

Section 50 of the Revised Statutes shall not be effective as to persons included within the foregoing.

ARCHITECT OF THE CAPITOL

CAPITOL BUILDINGS AND GROUNDS

For an additional amount for "Capitol Building", $21,500.

Senate Restaurants: For replacement of equipment, Senate Restaurant, Capitol Building, to be expended by the Architect of the Capitol under the supervision of the Senate Committee on Rules and Administration, without regard to section 3709 of the Revised Statutes, as amended, $4,000.

CHAPTER II

DEPARTMENT OF JUSTICE

LEGAL ACTIVITIES AND GENERAL ADMINISTRATION

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For an additional amount for "Salaries and expenses, general legal activities", $400,000.

IMMIGRATION AND NATURALIZATION SERVICE

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $3,000,000; and appropriations made under this head for the fiscal year 1951 shall be available for the purchase of twenty additional passenger motor vehicles.

DEPARTMENT OF COMMERCE

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

EXPORT CONTROL

For an additional amount for "Export control", $925,000; and the limitation under this head in the Department of Commerce Appropriation Act, 1951, on the amount available for transfer to the appropriation, "Salaries and expenses", Office of the Secretary, is increased from "$40,000" to "$55,000".

BUREAU OF PUBLIC ROADS

INTER-AMERICAN HIGHWAY

For necessary expenses of continuing the survey and construction of the Inter-American Highway, in accordance with the provisions of the Act of December 26, 1941 (55 Stat. 860), as amended by section 11 of the Federal-Aid Highway Act of 1950, including the purchase, for replacement only, of five passenger motor vehicles, $4,000,000, to remain available until expended.

ACCESS ROADS (ACT OF SEPTEMBER 7, 1950)

For expenses necessary in carrying out the provisions of section 12 of the Federal-Aid Highway Act of 1950, including $2,000,000 for payments of obligations incurred pursuant to the contract authorization granted by said section, to remain available until expended, $7,000,000, of which $2,000,000 shall be derived by transfer from the unexpended balance of funds heretofore appropriated for carrying out the provisions of section 6 of the Defense Highway Act of 1941 (55 Stat. 765).

NATIONAL BUREAU OF STANDARDS

CONSTRUCTION OF LABORATORIES

For an additional amount for "Construction of laboratories", $1,400,000, to remain available until expended; and the amount of the contract authorization granted under this head in the Department of Commerce Appropriation Act, 1951, is reduced from "$5,675,000" to "$3,915,000": *Provided*, That the General Services Administrator is authorized to provide for use by the Department of Commerce, without reimbursement, of not to exceed 100,000 square feet of floor space (to be designated by the Secretary of the Navy) of the former United States Naval Hospital, Corona, California, as a guided-missiles laboratory, and thereafter $1,540,000 of the amounts appropriated

under this head shall be available for (1) such modifications, improvements, and equipment of existing buildings and facilities at said location, as are necessary to permit their use for a guided-missiles laboratory (which shall be in lieu of the new construction authorized for such purpose by Public Law 386, approved October 25, 1949), and (2) other administrative expenses necessary for the establishment of said laboratory, including moving expenses, travel, and transportation of dependents and household effects: *Provided further*, That with the exception of the establishment and operation of a cafeteria, no community or recreational facilities shall be established or operated by the Department of Commerce in connection with said activities except as may be specifically authorized by law.

MARITIME ACTIVITIES

SHIP CONSTRUCTION

The first proviso in the paragraph under the head "United States Maritime Commission, ship construction" in the Independent Offices Appropriation Act, 1951, is hereby amended by striking out "December 31, 1950" and inserting in lieu thereof "June 30, 1951".

Appropriations and contract authority made available to the United States Maritime Commission for ship construction in the fiscal years 1950 and 1951, and in addition thereto $224,000,000 in contract authority, the totals of which, including not to exceed $500,000 which may be transferred to the appropriation "Salaries and expenses" for necessary administrative costs without regard to limitations thereon in said appropriations, and including not to exceed $15,000,000 for the construction, activation, acquisition, and expansion of plants or facilities, on land whether owned by the Government or otherwise owned, shall be available, without regard to the provisions of the Merchant Marine Act of 1936 with respect to essential trade routes, for construction of such additional dry-cargo vessels as the Secretary of Commerce, with the approval of the President, shall find necessary for national security: *Provided*, That such additional vessels shall not be subject to the first proviso under the head "New ship construction" in the Independent Offices Appropriation Act, 1950, or the last proviso under the head "Ship construction" in the Independent Offices Appropriation Act, 1951.

For the payment of obligations incurred on or after July 1, 1946, including obligations authorized herein, for ship construction, reconditioning and betterments, pursuant to the Merchant Marine Act, 1936, as amended, and to the authority granted under the head "United States Maritime Commission" in the several appropriation Acts for the fiscal years 1947, 1948, 1949, 1950, and 1951, the unexpended balance of funds heretofore appropriated for the liquidation of such obligations may be consolidated and may, in total, be available for the liquidation of such obligations.

SALARIES AND EXPENSES

Limitations under the head "Salaries and expenses", United States Maritime Commission, in the Independent Offices Appropriation Act, 1951, are amended as follows: "Maintenance of shipyard facilities"

is increased from "$452,000" to "$483,000", and "Maintenance and operation of terminals" is decreased from "$765,000" to "$734,000".

CHAPTER III

TREASURY DEPARTMENT

SALARIES AND EXPENSES, DIVISION OF DISBURSEMENT

For an additional amount for "Salaries and expenses, Division of Disbursement", $300,000.

BUREAU OF CUSTOMS

For an additional amount for "Salaries and expenses", $225,000.

SECRET SERVICE DIVISION

For an additional amount for "Salaries and expenses, Secret Service Division", $82,000: *Provided*, That appropriations granted under this head for the fiscal year 1951 shall also be available for the protection of the vice president.

SALARIES AND EXPENSES, WHITE HOUSE POLICE

For an additional amount for "Salaries and expenses, White House Police", $49,000; and appropriations granted under this head for the fiscal year 1951 shall be available for employment of additional personnel without regard to the limitation contained in section 2 of the Act of August 15, 1950 (Public Law 693).

COAST GUARD

OPERATING EXPENSES

For an additional amount for "Operating expenses", $18,600,000; and appropriations made under this head for the fiscal year 1951 shall be available for the purchase of seventy-four additional passenger motor vehicles: *Provided*, That limitations under this head in the Treasury Department Appropriation Act, 1951, are increased as follows: Number of aircraft on hand, from "one hundred and ten" to "one hundred and thirteen"; number of enlisted men detailed for duty at Coast Guard Headquarters, from "thirty" to "fifty-five"; and the amount that may be expended for recreation, amusement, comfort, and contentment of enlisted personnel of the Coast Guard, from "$190,000" to "$250,000".

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

For an additional amount for "Acquisition, construction, and improvements", $7,900,000, to remain available until expended.

RETIRED PAY

Appropriations made under this head for the fiscal year 1951 shall be available for the payment of obligations incurred during prior fiscal years for retired pay.

CHAPTER IV

DEPARTMENT OF LABOR

BUREAU OF EMPLOYMENT SECURITY

GRANTS TO STATES FOR UNEMPLOYMENT COMPENSATION AND EMPLOYMENT SERVICE ADMINISTRATION

Appropriations made under this head for the fiscal year 1951 shall be available for grants to Puerto Rico and the Virgin Islands in accordance with the Act of June 6, 1933, as amended by the Act of September 8, 1950 (Public Law 775): *Provided*, That in lieu of grants for the purpose of securing office facilities and equipment, the Secretary of Labor may transfer to the Puerto Rico Employment Service any Veterans Employment Service office facilities and properties within Puerto Rico, including records, files, and office equipment.

FEDERAL SECURITY AGENCY

OFFICE OF EDUCATION

PROMOTION AND FURTHER DEVELOPMENT OF VOCATIONAL EDUCATION

Appropriations made under this head for the fiscal year 1951 shall be available for carrying out the provisions of the Act of March 18, 1950 (Public Law 462).

PUBLIC HEALTH SERVICE

Grants for hospital construction: For an additional amount for construction grants under part C, title VI, of the Public Health Service Act, as amended, $10,000,000.

SOCIAL SECURITY ADMINISTRATION

SALARIES AND EXPENSES, BUREAU OF OLD-AGE AND SURVIVORS INSURANCE

The amount authorized to be expended from the Federal old-age and survivors insurance trust fund for "Salaries and expenses, Bureau of Old-Age and Survivors Insurance", by the Federal Security Agency Appropriation Act, 1951, as amended by the Supplemental Appropriation Act, 1951, is increased from "$53,988,000" to "$56,988,000".

NATIONAL MEDIATION BOARD

ARBITRATION AND EMERGENCY BOARDS

For an additional amount for "Arbitration and emergency boards", $175,000.

CHAPTER V

DEPARTMENT OF THE INTERIOR

SOUTHEASTERN POWER ADMINISTRATION

CONSTRUCTION

For construction and acquisition of transmission lines, substations, and appurtenant facilities, and for administrative expenses connected

therewith, in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U. S. C. 825s), as applied to the southeastern power area, including purchase (not to exceed five) and hire of passenger motor vehicles, $1,850,000, to remain available until expended.

BONNEVILLE POWER ADMINISTRATION

CONSTRUCTION

For an additional amount for "Construction", $1,450,000, to remain available until expended.

CHAPTER VI

INDEPENDENT OFFICES

ATOMIC ENERGY COMMISSION

For an additional amount, $1,065,000,000, and appropriations made under this head for the fiscal year 1951 shall be available for the purchase of not to exceed five hundred passenger motor vehicles, including replacements.

GENERAL SERVICES ADMINISTRATION

STRATEGIC AND CRITICAL MATERIALS

For an additional amount for carrying out the Strategic and Critical Materials Stock Piling Act of July 23, 1946 (50 U. S. C. 98), $1,834,911,000.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $3,250,000; and the limitation imposed by section 103 of the Independent Offices Appropriation Act, 1951, on the amount available for travel expenses under this head, is increased from "$260,000" to "$300,000".

CONSTRUCTION AND EQUIPMENT

For an additional amount for "Construction and equipment", $1,818,000, to remain available until June 30, 1952.

OFFICE OF THE HOUSING EXPEDITER

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $1,200,000; and the last proviso under this head in the Supplemental Appropriation Act, 1951, is amended to read as follows: "*Provided further*, That no part of this appropriation may be used to pay compensation of any employee in a grade higher than the grade of such employee on May 22, 1950, except when such employee is required to fill a bona fide vacancy occurring in such higher grade".

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $11,000,000; and appropriations granted under this head for the fiscal year 1951

shall be available for the purchase of sixteen passenger motor vehicles of which one shall be for replacement: *Provided*, That both of the limitations under this head in the Supplemental Appropriation Act, 1951, on the amounts available for travel expenses are hereby repealed.

SUBVERSIVE ACTIVITIES CONTROL BOARD

SALARIES AND EXPENSES

For necessary expenses, including services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not in excess of $50 per diem for individuals, $175,000.

TENNESSEE VALLEY AUTHORITY

For an additional amount, $66,500,000, to remain available until expended.

CHAPTER VII

DEPARTMENT OF DEFENSE

For additional amounts for appropriations under the Department of Defense, as follows:

OFFICE OF THE SECRETARY OF DEFENSE

"Salaries and expenses", $1,000,000; and the limitation under this head in the Defense Appropriation Act, 1951, on the amount available for emergency and extraordinary expenses, is increased from "$50,000", to "$60,000";

"Emergency fund", $50,000,000;

DEPARTMENT OF THE ARMY

For additional amounts for appropriations under the Department of the Army, as follows:

OFFICE OF THE SECRETARY OF THE ARMY

"Contingencies of the Army", $19,100,000;

FINANCE DEPARTMENT

Finance Service, Army:
"Pay of the Army", $695,200,000;
"Travel of the Army", $17,700,000;
"Finance service", $4,000,000;

QUARTERMASTER CORPS

Quartermaster Service, Army: *Provided*, That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952:
"Welfare of enlisted men", $7,500,000;
"Subsistence of the Army", $343,800,000;
"Regular supplies of the Army", $275,300,000;
"Clothing and equipage", $892,100,000, of which not to exceed $350,000,000 is for payment of obligations incurred under author-

ity granted under this head in the Supplemental Appropriation Act, 1951, to enter into contracts for the purchase of 100,000,000 pounds of raw wool, woolen garments, fabrics, and knitting yarns for use of all the armed services, which contracts shall not exceed the amount herein appropriated for payment thereunder;

"Incidental expenses of the Army", $34,900,000;

TRANSPORTATION CORPS

"Transportation service, Army", $422,400,000;

SIGNAL CORPS

"Signal service of the Army", $665,100,000: *Provided*, That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

Alaska Communication System:

"Operation, maintenance, and improvement, etc.", $470,000, to remain available until June 30, 1952;

"Construction, etc.", including not to exceed $381,024 for family quarters at the Sheep Mountain, Gulkana, Johnson River, and Harding Lake repeater stations, $464,000, to remain available until expended;

MEDICAL DEPARTMENT

"Medical and Hospital Department", $71,000,000;

CORPS OF ENGINEERS

"Engineer service, Army", $656,600,000: *Provided*, That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

"Military construction, Army", including construction as authorized by law, to remain available until expended, $319,700,000;

ORDNANCE DEPARTMENT

"Ordnance service and supplies, Army", $4,003,500,000: *Provided*, That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952: *Provided further*, That the sum of $2,500,000 of the appropriation "Ordnance service and supplies, Army", 1942–1946, shall remain available until June 30, 1951, for the payment of obligations incurred under contracts executed thereunder prior to July 1, 1946;

CHEMICAL CORPS

"Chemical service, Army", $51,100,000: *Provided*, That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

ARMY TRAINING

"Army training", $3,600,000;

UNITED STATES MILITARY ACADEMY

Maintenance and Operation

"Maintenance and operation", $65,000;

CIVILIAN COMPONENTS

"Army National Guard", $28,100,000: *Provided*, That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

"Organized reserves", $10,900,000: *Provided*, That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

DEPARTMENTAL SALARIES AND EXPENSES

Salaries, Department of the Army:
"Office of the Chief of Staff", $370,713;
"Adjutant General's Office", $1,679,965;
"Office of the Inspector General", $4,202;
"Office of the Judge Advocate General", $17,530;
"Office of the Chief of Finance", $118,434;
"Office of the Quartermaster General", $604,154;
"Office of the Chief of Transportation", $178,725;
"Office of the Chief Signal Officer", $483,339;
"Office of the Provost Marshal General", $42,212;
"Office of the Surgeon General", $383,585;
"Office of the Chief of Engineers", $416,013;
"Office of the Chief of Ordnance", $408,576;
"Office of Chief, Chemical Corps", $187,442;
"Office of Chief of Chaplains", $5,110;
"Contingent expenses, Department of the Army", $9,300,000.

EXPEDITING PRODUCTION

"Expediting production", $575,000,000: *Provided*, That amounts made available under this head for the fiscal year 1951 shall remain available until June 30, 1952;

CIVILIAN RELIEF IN KOREA

For expenses, not otherwise provided for, necessary for emergency relief for the civilian population of Korea, including the procurement, operation, maintenance, and distribution of equipment, materials and services for informational and reorientation purposes; travel; and transportation; $50,000,000, to remain available until June 30, 1952: *Provided*, That materials and supplies available to the Department of Defense may be used for the purposes of this appropriation without reimbursement therefor: *Provided further*, That none of the funds provided under this head shall be used for such purposes in any territory of Korea under Communist control;

DEPARTMENT OF THE NAVY

"Military personnel, Navy", $184,547,000;
"Military personnel, officer candidates", $469,000;
"Navy personnel, general expenses", $21,801,000;
"Military personnel, Marine Corps", $96,323,000;
"Marine Corps troops and facilities", $291,092,000, of which $5,312,000 shall be derived by transfer from "Military personnel, Marine Corps Reserve, 1951";
"Aircraft and facilities", $158,520,000, of which $9,756,000 shall be derived by transfer from "Military personnel, Naval Reserve, 1951",

and $4,781,000 by transfer from "Military personnel, Marine Corps Reserve, 1951";

"Construction of aircraft and related procurement", $156,360,000, to remain available until expended: *Provided*, That the aircraft procurement program established under this head in the Defense Appropriation Act, 1951, as increased by the Supplemental Appropriation Act, 1951, is further increased by $156,360,000;

"Ships and facilities", $383,005,000;

"Construction of ships", $335,330,000, to remain available until expended: *Provided*, That the limitations heretofore imposed under this head on the total of obligations to be incurred for construction, conversion, or replacement approved during the fiscal years 1950 and 1951, are repealed: *Provided further*, That the total of obligations incurred for construction, conversion, or replacement, approved between July 17, 1947, and June 30, 1951, shall not exceed $1,064,271,000;

"Ordnance and facilities", $707,009,000;

"Ordnance for new construction", $42,394,000, to remain available until expended: *Provided*, That the limitations heretofore imposed under this head on the total of obligations to be incurred for armor, armament, and ammunition for construction, conversion, or replacement approved during the fiscal years 1950 and 1951 are repealed: *Provided further*, That the total of obligations incurred for armor, armament, and ammunition, for construction, conversion, or replacement, approved between July 17, 1947, and June 30, 1951, shall not exceed $356,123,000;

"Medical care", $27,705,000;

"Civil engineering", $78,701,000: *Provided*, That the limitations on purchase of passenger motor vehicles set forth under this head in the General Appropriation Act, 1951, and in Sec. 107 of the Supplemental Appropriation Act, 1951, are repealed;

"Public works (new)", including construction as authorized by law, $303,378,000, to remain available until expended;

"Research", $32,085,000, to remain available until expended;

"Service-wide supply and finance", $31,436,000;

"Navy stock fund": For additional working capital for the Navy stock fund, established pursuant to the National Security Act Amendments of 1949, $100,000,000;

"Service-wide operations", $48,440,000; and the limitation under this head in the Defense Appropriation Act, 1951, as increased by the Supplemental Appropriation Act, 1951, on the amount available for emergencies and extraordinary expenses, is further increased by $13,445,000;

"Island governments", $625,000;

DEPARTMENT OF THE AIR FORCE

For additional amounts for appropriations under the Department of the Air Force as established or adjusted pursuant to section 403 (b) of the National Security Act of 1947, as amended, as follows:

AIRCRAFT AND RELATED PROCUREMENT

"Aircraft and related procurement", including construction, procurement, and modification of aircraft and equipment, armor and

armament, spare parts and accessories therefor; electronic and communication equipment, detection and warning systems, and specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land without regard to section 1136, Revised Statutes, as amended, for the foregoing purposes, and such land, and interests therein, may be acquired and construction prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; industrial mobilization, including maintenance of reserve plants and equipment and procurement planning; and other expenses necessary for the foregoing purposes, including rents, transportation of things and personal services in the field; to remain available until expended; $2,114,700,000: *Provided*, That the aircraft procurement program heretofore established for the fiscal year 1951 is further increased by $2,114,700,000;

MAJOR PROCUREMENT OTHER THAN AIRCRAFT

"Major procurement other than aircraft", including the procurement of supplies, materials, and equipment, and spare parts therefor, not otherwise provided for; electronic and communication equipment; and the purchase of passenger motor vehicles, $583,900,000, to remain available until expended: *Provided*, That the unexpended balances of funds appropriated to the Air Force for the foregoing purposes in the Defense Appropriation Act, 1951, and the Supplemental Appropriation Act, 1951, shall remain available until expended;

ACQUISITION AND CONSTRUCTION OF REAL PROPERTY

"Acquisition and construction of real property", including construction, installation, and equipment of temporary or permanent public works, military installations, and facilities for the Air Force, as authorized by the Act of March 30, 1949 (Public Law 30, Eighty-first Congress), the Act of October 27, 1949 (Public Law 415, Eighty-first Congress), as amended, the Act of May 11, 1949 (Public Law 60, Eighty-first Congress), and the Act of June 17, 1950 (Public Law 564, Eighty-first Congress), including construction authorized by law, without regard to sections 1136 and 3734, Revised Statutes, as amended, and the land, and interests therein, may be acquired and construction may be prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; expenses necessary for planning projects not otherwise authorized; and hire of passenger motor vehicles; $807,000,000, to remain available until expended;

MAINTENANCE AND OPERATIONS

"Maintenance and operations", including expenses necessary for the maintenance, operation, and administration of the activities of the Air Force, including the United States Air Force Reserve and the Air Reserve Officers' Training Corps; maintenance, operation, and modification of aircraft; transportation of things; rents at the seat of government and elsewhere, and in administering the provisions of 43 U. S. C. 315q payments of rents may be made in advance; repair of facilities; field printing plants; hire of passenger motor vehicles;

training and instruction of military and civilian personnel of the Air Force, including tuition and related expenses; pay, allowances and travel expenses of contract surgeons; utility services for buildings erected at private cost as authorized by law (10 U. S. C. 1346), and buildings on military reservations authorized by Air Force regulations to be used for welfare and recreational purposes; rental of land or purchase of options to rent land without reference to section 3648, Revised Statutes, as amended, use or repair of private property, and other necessary expenses of combat maneuvers; organizational clothing and equipage; payment of exchange fees and exchange losses incurred by Air Force disbursing officers or their agents; losses in the accounts of Air Force disbursing officers as authorized by law (31 U. S. C. 95a; 50 U. S. C. 1705–1707; Act of July 26, 1947, Public Law 248); burial of the dead as authorized by law (10 U. S. C. 916–916d; 5 U. S. C. 103a), including remains of personnel of the Air Force of the United States who die while on active duty, travel allowances of attendants accompanying remains, and acquisition by lease or otherwise of temporary burial sites; conduct of schoolrooms, service clubs, chapels, and other instructional, entertainment, and welfare expenses for enlisted men, not otherwise provided for; expenses for inter-American cooperation as authorized for the Navy by the Act of August 2, 1946 (5 U. S. C. 421f), for Latin-American cooperation; payments of deficiency judgments and interests thereon arising out of condemnation proceedings heretofore instituted; and special services by contract or otherwise, $704,600,000;

MILITARY PERSONNEL REQUIREMENTS

"Military personnel requirements", including pay, allowances, clothing, subsistence, transportation, interest on deposits of enlisted personnel, payment of life insurance premiums, and travel in kind for cadets and all other personnel of the Air Force of the United States on active duty (other than personnel of the Reserve components, including the Air National Guard, on active duty while undergoing reserve training), including mileage, per diem allowances, reimbursement of actual expenses of travel, transportation of troops, commutation of quarters, subsistence supplies for issue as rations to enlisted personnel, cloth and materials and clothing for issue and sale, and clothing allowances, as authorized by law; and, in connection with personnel paid from this appropriation, for rental of camp sites and local procurement of utility services and other necessary expenses incident to individual or troop movements (including packing and unpacking and transportation of organizational equipment), ice, meals for recruiting parties, monetary allowances for liquid coffee for troops when supplied cooked or travel rations, altering and fitting clothing, and commutation of rations, as authorized by law, to enlisted personnel, including those sick in hospitals (to be paid to the surgeon in charge); transportation, as authorized by law, of dependents, baggage, and household effects of personnel paid from this appropriation; transportation, or reimbursement therefor, of applicants for enlistment between places of acceptance for enlistment and recruiting stations, rejected applicants for enlistment, general prisoners, and discharged cadets; travel pay to discharged military personnel; transportation of persons discharged otherwise than honorably, prisoners

upon each termination of confinement, and persons discharged from Saint Elizabeths Hospital after transfer thereto from the military service; commutation of quarters and rations to applicants for enlistment and general prisoners traveling under orders; rations for civilian employees when entitled thereto, applicants for enlistment, prisoners of war, and general prisoners; subsistence supplies for resale, as authorized by law; commutation of rations, as authorized by regulations, to applicants for enlistment, civilian employees entitled to subsistence at public expense, and general prisoners, while sick in hospitals (to be paid to the surgeon in charge); subsistence of supernumeraries necessitated by emergent military circumstances; issues of toilet articles and barbers' and tailors' material to general prisoners confined at military posts without pay and allowances, applicants for enlistment, and recruits upon first enlistment; civilian clothing and when necessary an overcoat, the cost of all not to exceed $30, for each person upon each release from a military prison, each enlisted man discharged otherwise than honorably, each enlisted man convicted by a civil court for an offense resulting in confinement in a civil prison, and each enlisted man interned, or discharged without internment as an alien enemy; expenses of apprehension and delivery of deserters, stragglers, and escaped military prisoners; payment, in the discretion of the Secretary, of rewards (not to exceed $25 in any one case) for the apprehension of deserters; confinement of military prisoners in nonmilitary facilities; donations of not to exceed $25 to each civilian prisoner upon each release from a military prison, to each enlisted man discharged otherwise than honorably upon each release from confinement under court-martial sentence, and to each person discharged for fraudulent enlistment; expenses of courts, boards, and commissions; welfare; and medals and other awards; $264,700,000;

RESEARCH AND DEVELOPMENT

"Research and development", $115,000,000, to remain available until expended;

RESERVE PERSONNEL REQUIREMENTS

"Reserve personnel requirements", including pay, allowances, clothing, subsistence, and travel for personnel of the United States Air Force Reserve and the Air Reserve Officers' Training Corps, while on active duty undergoing reserve training or while performing drills or equivalent duty, or undergoing training and instruction; and the procurement and issue of uniforms to institutions necessary for the training of the Air Reserve Officers' Training Corps, as authorized by law; $1,000, to remain available until June 30, 1952: *Provided*, That the unexpended balances of funds appropriated for the foregoing purposes in the Defense Appropriation Act, 1951, shall remain available until June 30, 1952;

CONTINGENCIES

"Contingencies", $13,110,000.

GENERAL PROVISIONS

SEC. 701. Notwithstanding any other provision of law, no part of any appropriation for the Department of Defense contained in this Act shall remain available until expended unless so provided in the appropriation concerned.

Sec. 702. Section 619 of the Defense Appropriation Act, 1951, is amended by deleting the words: "(other than on permanent change of station)".

Sec. 703. Payments by members of the United Nations for equipment, materials or services furnished in joint military operations shall be credited to proper appropriations of the Department of Defense in the manner authorized by section 403 (b) of the Mutual Defense Assistance Act of 1949.

Sec. 704. The Secretary of Defense is authorized to employ not to exceed ten persons of outstanding experience and ability without compensation; and he is authorized to provide by regulation for the exemption of such persons from the operation of sections 281, 283, 284, 434, and 1914 of title 18 of the United States Code and section 190 of the Revised Statutes (5 U. S. C. 99). Persons appointed under the authority of this section may be allowed transportation and not to exceed $15 per diem in lieu of subsistence while away from their homes or regular places of business pursuant to such employment.

Sec. 705. Funds heretofore or hereafter appropriated under the appropriation title "Naval Petroleum Reserve Numbered 4, Alaska", Department of the Navy, shall be available for exploration and prospecting on Government-owned lands adjacent to the Naval Petroleum Reserve Numbered 4.

Sec. 706. None of the firearms, pistols, revolvers, shells, and cartridges purchased with funds appropriated for the military departments by this or any other Act shall be subject to any tax imposed on the sale or transfer of such articles.

CHAPTER VIII

DISTRICT OF COLUMBIA

(Out of revenues of the District of Columbia)

Office of Civil Defense

For an additional amount for "Office of Civil Defense", $250,000; and appropriations granted under this head for the fiscal year 1951 shall be available for personal services without reference to the civil-service laws as related to recruitment.

CHAPTER IX

FOREIGN AID

Whenever he determines that such action is essential, the President may from time to time utilize, for the effective carrying out of the purposes of the China Area Aid Act of 1950 (title II of Public Law 535, Eighty-first Congress), not to exceed in the aggregate 3 per centum of the funds made available for the fiscal year 1951 for the purposes of the Economic Cooperation Act of 1948 (Public Law 472, Eightieth Congress), as amended.

CHAPTER X

CLAIMS FOR DAMAGES AUDITED CLAIMS AND JUDGMENTS

For payment of claims for damages as settled and determined by departments and agencies in accord with law, audited claims certified

to be due by the General Accounting Office, and judgments rendered against the United States by United States district courts, the United States Court of Claims, and the Indian Claims Commission, as set forth in Senate Document Numbered 244, and House Document Numbered 729, Eighty-first Congress, $6,983,938, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or in certain of the settlements of the General Accounting Office or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided*, That no judgment herein appropriated for shall be paid until it shall have become final and conclusive against the United States by failure of the parties to appeal or otherwise: *Provided further*, That, unless otherwise specifically required by law or by the judgment, payment of interest wherever appropriated for herein shall not continue for more than thirty days after the date of approval of this Act.

CHAPTER XI

GENERAL PROVISIONS

SEC. 1101. No part of any appropriation contained in this Act, or of the funds available for expenditure by any corporation included in this Act, shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation or fund contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further*, That, as applicable to the Department of the Interior, nothing in this section shall be construed to require an affidavit from any person employed for less than sixty days for sudden emergency work involving the loss of human life or destruction of property, and the payment of salary or wages may be made to such persons from applicable appropriations for services rendered in

such emergency without execution of the affidavit contemplated by this section.

SEC. 1102. Appropriations and funds made available by this or any other Act for salaries, wages, or compensation, for the fiscal year 1951, shall also be available for payment of any tax with respect thereto which is imposed on any department, agency, corporation, or other instrumentality of the United States, as an employer, by the provisions of the Social Security Act Amendments of 1950.

SEC. 1103. This Act may be cited as the "Second Supplemental Appropriation Act, 1951".

Approved January 6, 1951.

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